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ABSTRACT

This participant's guide includes: "Introduction: Welcome to Cash Management Life Cycle Training"; "Module 1: Review of Cash Management Principles" (cash management overview and activity); "Module 2: Common Origination and Disbursement (COD) System Overview" (e.g., full participants and phase-in participants, COD access, and features and benefits); "Module 3: Cash Management Tools" (e.g., online tools, training opportunities, and access to the COD Web site); "Module 4: Reconciling Title IV Program Funds and Program-Year Close-Out" (e.g., regulatory requirements, cash receipts reconciliation, and reconciliation process summary for Pell Grant and Direct Loan); "Module 5: Assessing Your Cash Management Procedures" (e.g., tools for schools and interactive and noninteractive assessments); and "Module 6: Class Wrap-Up." Ten appendixes include: glossary; processing announcement;s reports; Direct Loan best practices handout; FSA assessment tools; pre-assessment Q&A, game Q&A, knowledge check Q&A, and post-assessment Q&A; cash management regulations; reconciliation of cash worksheet; key resources; and most common program review deficiency codes. (SM)

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Title IV Cash Management Life Cycle Training

Fall 2003

Participant's Guide

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Welcome to Cash Management Life Cycle Training

Resources

- *The Blue Book* June 2001, Chapters 3, 4, and 5,
- *Federal Student Aid Handbook* 2002-03, Volume 2, Chapters 5, 6, and 11,
- Title IV Federal Regulations 34 CFR Subpart K, and
- FSA COACH Web-based Tutorial Lesson 6.

Did You Know?

The cash management requirements are not applicable to the State Grant and Scholarship programs, because, unlike other FSA programs, the State Grant and Scholarship programs are administered under rules established by the states.

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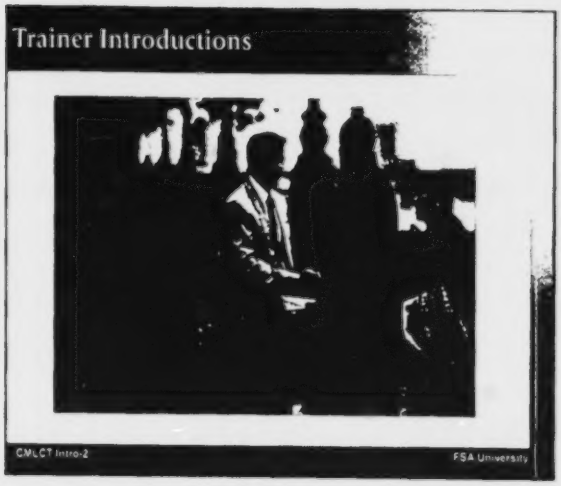
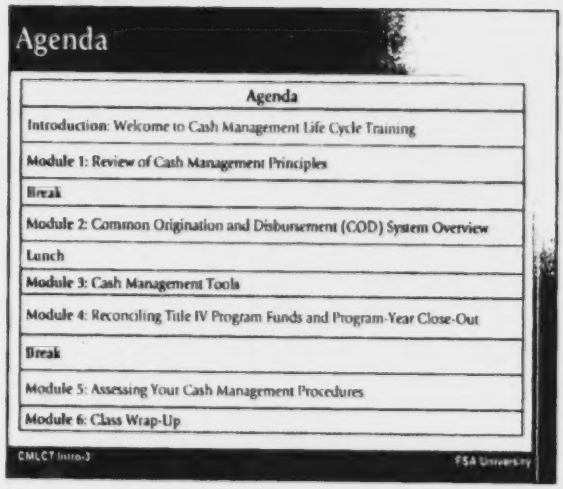
Trainer Introductions



Agenda


Agenda
Agenda
Introduction: Welcome to Cash Management Life Cycle Training
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Break
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Module 5: Assessing Your Cash Management Procedures
Module 6: Class Wrap-Up
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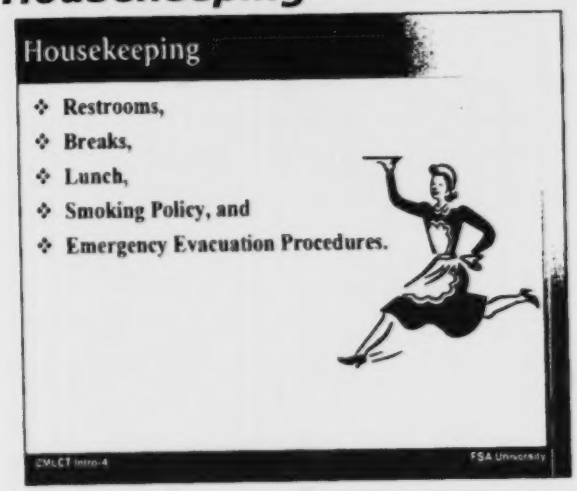
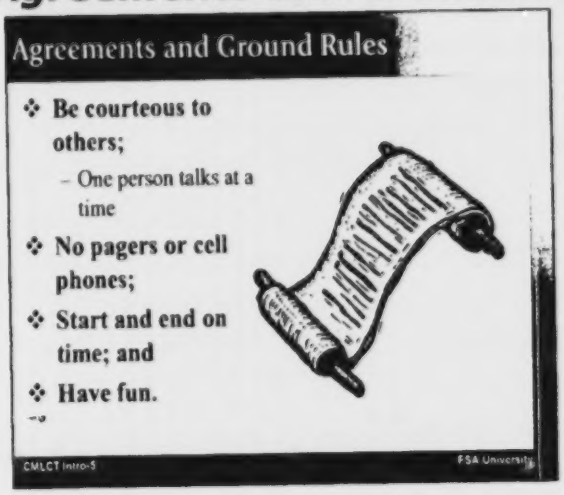
Housekeeping

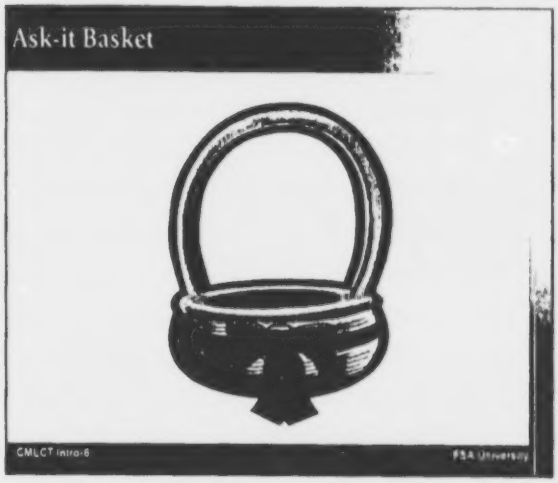


Agreements and Ground Rules

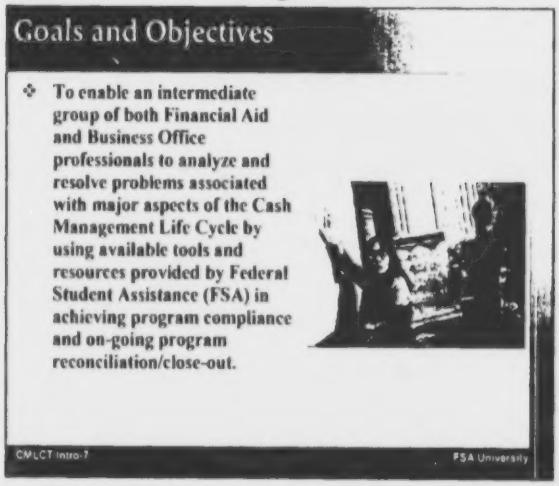

Agreements and Ground Rules
❖ Be courteous to others;
– One person talks at a time
❖ No pagers or cell phones;
❖ Start and end on time; and
❖ Have fun.
CMLCT Intro-5
FSA University

Ask-it Basket

The Ask-it Basket is a chart where follow-up items are recorded.



Goals and Objectives


Goals and Objectives
To enable an intermediate group of both Financial Aid and Business Office professionals to analyze and resolve problems associated with major aspects of the Cash Management Life Cycle by using available tools and resources provided by Federal Student Assistance (FSA) in achieving program compliance and on-going program reconciliation/close-out.
CMLCT Intro-7
FSA University

Warm-up Activity

You will complete an introductory activity at this time.

Module 1: Review of Cash Management Principles

Resources

- *The Blue Book* June 2001, Chapters 3, 4, and 5,
- Title IV Federal Regulations 34 CFR, Subpart K, General Provisions, updated November 1, 2002, and
- *Federal Student Aid Handbook* 2002-03, Volume 2, Chapter 5.

Did You Know?

A school must ensure that its administrative procedures for FSA Title IV Programs include a system of internal checks and balances that separates the functions of authorizing payment and disbursing or delivering of funds, so that no ONE person or ONE office performs both functions. Small schools are not exempt from this rule even though they may have limited staff.

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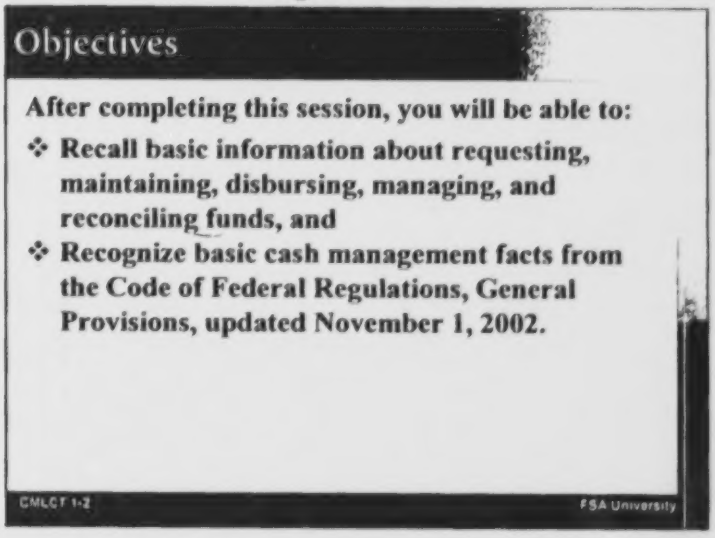
Objectives


Objectives
After completing this session, you will be able to:
❖ Recall basic information about requesting, maintaining, disbursing, managing, and reconciling funds, and
❖ Recognize basic cash management facts from the Code of Federal Regulations, General Provisions, updated November 1, 2002.
CMLCT 1-2
FSA University

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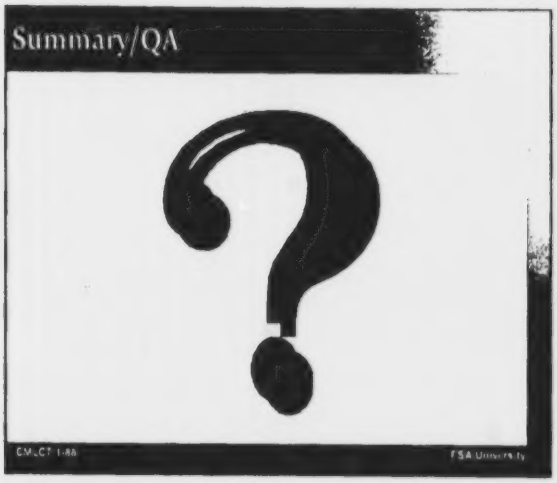
Cash Management Overview

The purpose of 34 CFR, Subpart K, of the Code of Federal Regulations, is to promote sound cash management practices, minimize the costs of administering the Title IV student aid programs, and minimize loan costs to students. These rules and other Department of Education (ED) publications set forth the requirements for requesting, maintaining, managing, reconciling, and disbursing funds.

Activity: CMT Trivial Pursuit Game

We will review some of the basic cash management principles by playing the Cash Management Training Trivial Pursuit game.

Summary/QA



In this module, we reviewed basic cash management regulations and procedures using the CMT Trivial Pursuit game. Next, we will cover a brief overview of COD, the features and benefits of using the COD system, and how to sign up to be a COD Full Participant.

Module 2: Common Origination and Disbursement (COD) System Overview

Resources

- *Federal Student Aid Handbook* 2002-03, Volume 3, Chapter 3,
- *Federal Student Aid Handbook* 2002-03, Volume 8, Chapter 4, pages 8-41,
- Federal Regulations 34 CFR 685.301,
- COD Technical Reference, http://ifap.ed.gov/cod/0304CODTechRefv2.html,
- COD Web site Access for Schools, https://cod.ed.gov,
- COD Processing Updates, from a link at bottom of COD Home Page, https://cod.ed.gov, and
- Full Participant Sign Up, http://ifap.ed.gov/eannouncements/0226CODSignUpforFP0304.html.

Did You Know?

If a school chooses to deposit Title IV program funds into an investment account, the investment account must consist predominantly of low-risk income-producing securities.

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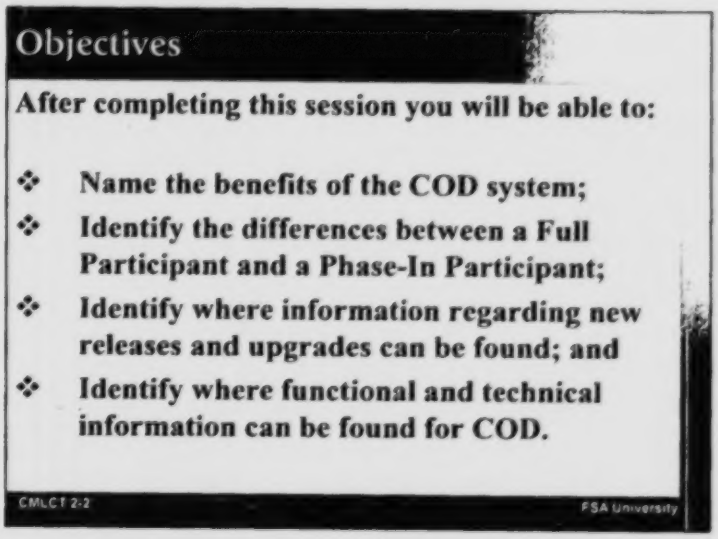
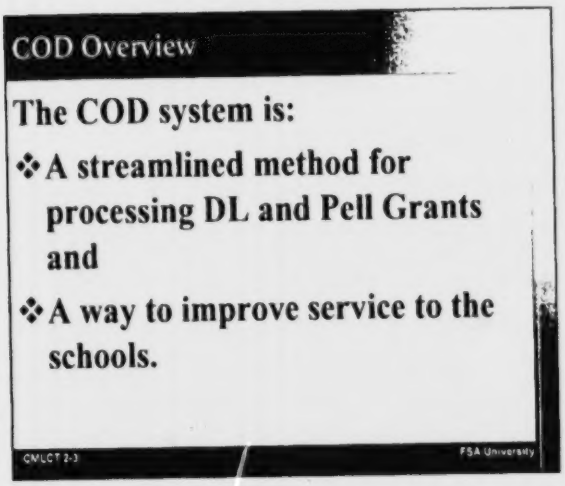
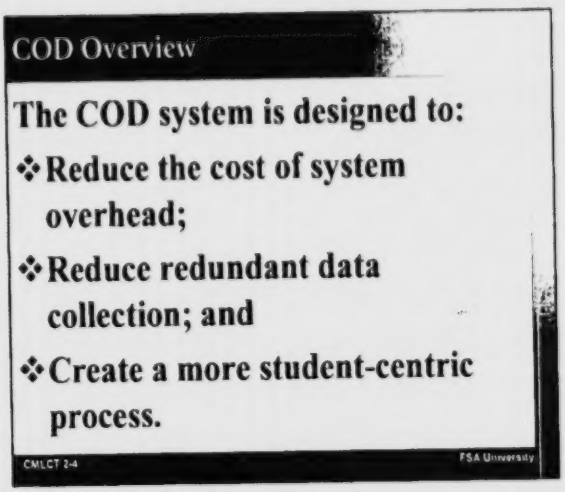
Objectives


Objectives
After completing this session you will be able to:
Name the benefits of the COD system;
Identify the differences between a Full Participant and a Phase-In Participant;
Identify where information regarding new releases and upgrades can be found; and
Identify where functional and technical information can be found for COD.
CMLCT 2-2
FSA University

Common Origination and Disbursement (COD) Overview

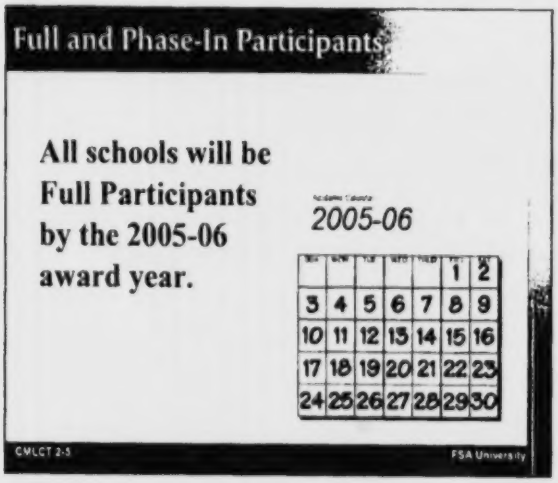

COD Overview
The COD system is:
❖A streamlined method for processing DL and Pell Grants and
❖A way to improve service to the schools.
CMLCT 2-3
FSA University

The COD system represents a migration of program-centric systems to a student-centric system. It integrates the origination and disbursement functions of the Direct Loan Origination System (LOS) and Recipient Financial Management System (RFMS). It replaces RFMS and LOS beginning with program year 2002-03. All schools, regardless of whether they are Full or Phase-In Participants, are currently having their records processed by COD.


COD Overview
The COD system is designed to:
❖Reduce the cost of system overhead;
❖Reduce redundant data collection; and
❖Create a more student-centric process.
CMLCT 2-4
FSA University

Full Participants and Phase-In Participants

Schools using the EDExpress software for either Pell Grant processing or Direct Loan processing in 2003-04 are COD Full Participants as of 2003-04. Schools must notify COD that they are using this software in 2003-04 and identify the appropriate programs for participation (Pell and/or DL).


Full and Phase-In Participants
All schools will be Full Participants by the 2005-06 award year.
2005-06
CMLCT 2-5
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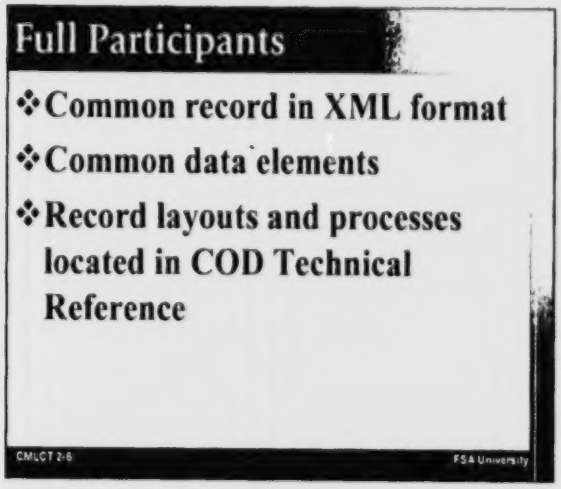
Not all schools are Full Participants at this time. Some schools are Phase-In Participants for various reasons. The difference between the two models is driven by the data transmissions between the schools and the COD system.

Full Participation



As of the 2003-04 award year, Full Participant schools may submit data to the COD system by:

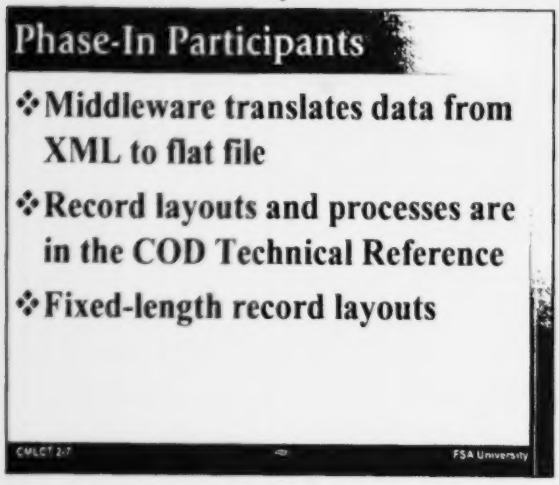
- Batch processing common record documents over the Student Aid Internet Gateway (SAIG) or by
- Entering common record data using the COD Web site.

Full participant schools can refer to the XML schema. In basic terms, an XML schema describes how the common record is laid out.

The current XML schema for the common record is available on the IFAP Web site at: http://ifap.ed.gov/cod/0210XMLCommonRecordSchema20c.html.

Full Participant schools can also refer to the common record layout in the 2003-04 COD Technical Reference at: http://www.fsadownload.ed.gov/CODTechRef.htm.

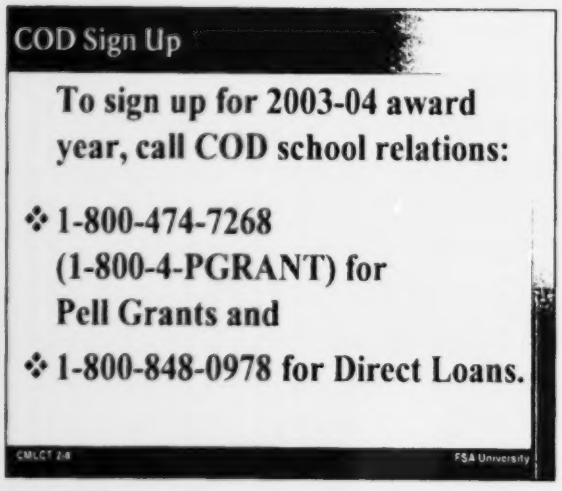
Phase-In Participation


Phase-In Participants
❖ Middleware translates data from XML to flat file
❖ Record layouts and processes are in the COD Technical Reference
❖ Fixed-length record layouts
CMLCT 2-7
FSA University

Phase-In Participants use fixed-length record layouts for submitting Pell Grant and/or Direct Loan origination and disbursement data to the COD system using the SAIG.

The 2003-04 COD Technical Reference is a source of information for Phase-In Participants for the fixed-length record layouts and processes for Federal Pell Grants and Direct Loans. You may access the 2003-04 Pell Grant and Direct Loan Technical Reference at: http://www.fsadownload.ed.gov/docsStudentAidGateway.htm.

How to Sign Up for the COD Web Site


COD Sign Up
To sign up for 2003-04 award year, call COD school relations:
❖ 1-800-474-7268 (1-800-4-PGRANT) for Pell Grants and
❖ 1-800-848-0978 for Direct Loans.
CMLCT 2-8
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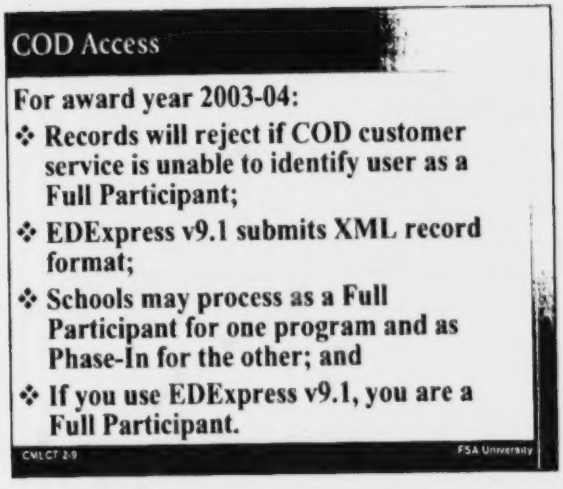
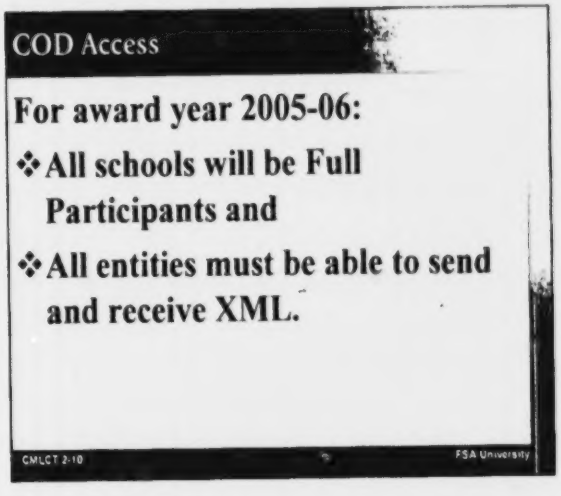
You do not have to be a Full Participant to sign up for the Web site. See page **B-5** in **Appendix B** for sign-up procedures for the COD Web site.

COD Access

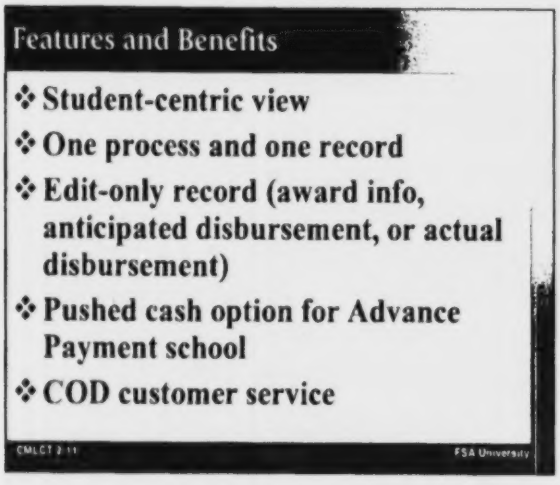

COD Access
For award year 2003-04:
❖ Records will reject if COD customer service is unable to identify user as a Full Participant;
❖ EDExpress v9.1 submits XML record format;
❖ Schools may process as a Full Participant for one program and as Phase-In for the other; and
❖ If you use EDExpress v9.1, you are a Full Participant.
CMLCT 2-9
FSA University

If you use a vendor's software to submit your school's data to COD, you should contact your provider for a status update on their capabilities of processing the XML (common record).

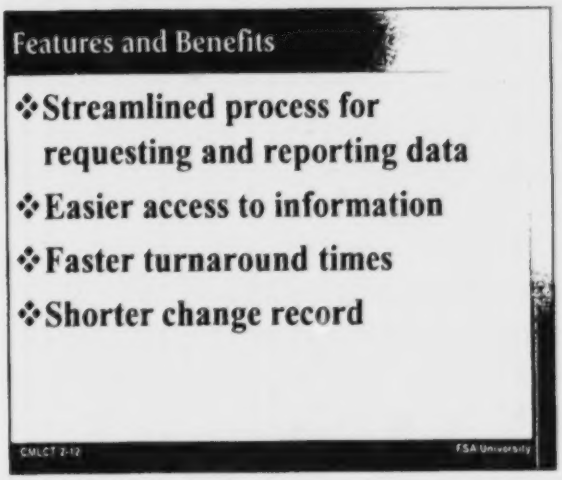

COD Access
For award year 2005-06:
❖ All schools will be Full Participants and
❖ All entities must be able to send and receive XML.
CMLCT 2-10
FSA University

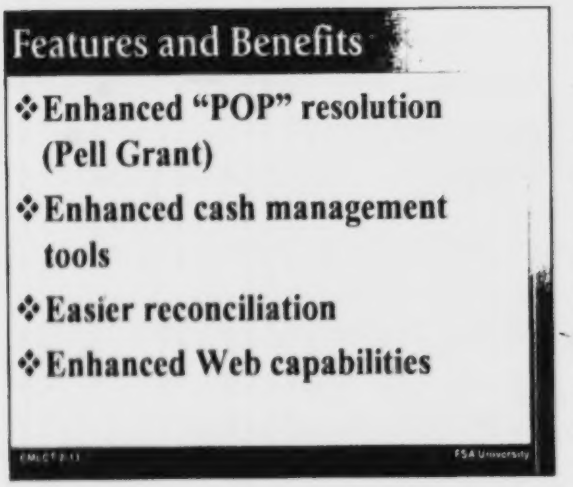
Schools should notify the COD School Relations regarding participation before submitting any common records.

Features and Benefits


Features and Benefits
❖ Student-centric view
❖ One process and one record
❖ Edit-only record (award info, anticipated disbursement, or actual disbursement)
❖ Pushed cash option for Advance Payment school
❖ COD customer service
CMLCT 2-11
FSA University

The COD system offers schools several benefits and flexibility in establishing processing parameters that meet individual school needs.





The chart on the next page summarizes the features and benefits.

Features and Benefits of COD

Features	*Benefits*
Student-centric view	All schools are able to view a student's Direct Loan (DL) and Federal Pell Grant awards on a single screen.
One process and one record	Full Participants can submit one record to report both a student's Pell Grant and DL award with all of the student's data available.
Award information, anticipated disbursement, and/or accepted disbursement record	Schools can send an "edit-only" record that will not "push" funding.
Pushed cash option	Full Participants can send a single record for each student that will process through all the edits and automatically push cash (initiate funding) with no additional activity by the school.
Shorter change record	Full Participants do not have to submit a complete change record to change one data element. They can provide the student identifier and the data to be changed.
Enhanced "POP" resolution (Pell Grant)	COD will notify schools of potential Pell Grant overawards and settle the overaward by funding the appropriate school.
Enhanced cash management tools	Schools can chart their own progress by using tools available via COD that tracks and monitors school record reporting and progress toward reporting disbursement within 30 days.
Easier reconciliation	COD enables earlier reconciliation by tracking and monitoring each school's drawdown, disbursement reporting, and data corrections.
Enhanced Web capabilities	Schools are able to confirm all of their pending records or a subset of them via the COD Web site. The Web system is available 24/7 with the exception of maintenance time.

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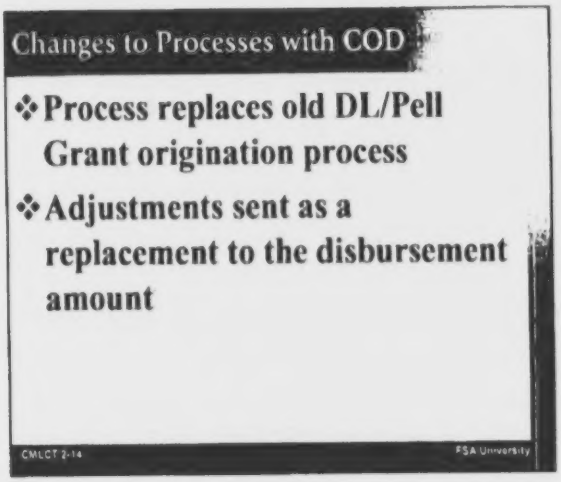
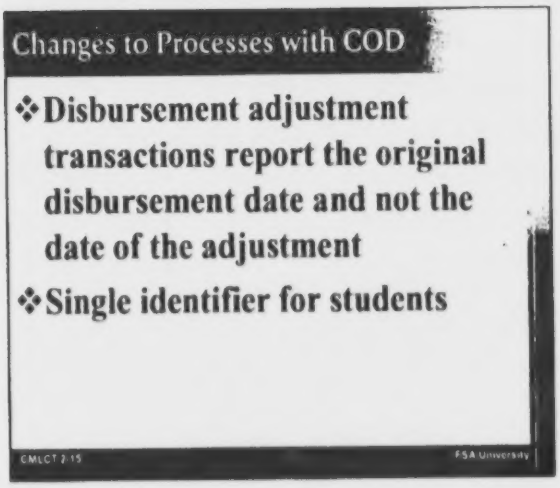
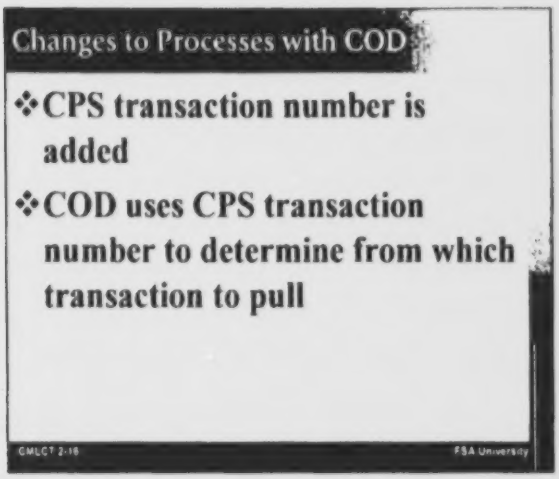
Changes to Processes with COD

There are several major changes to the way data is handled in the COD system:

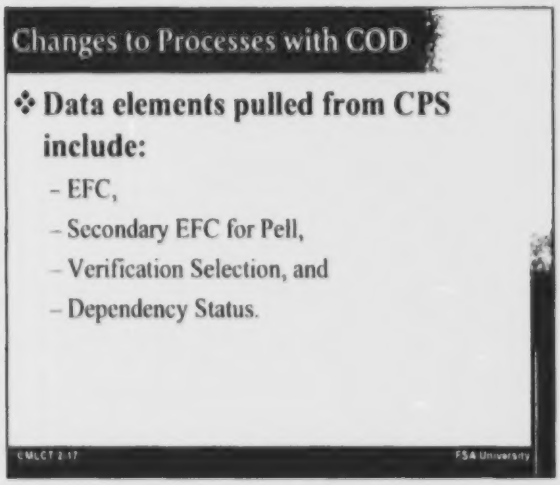

Changes to Processes with COD
❖Process replaces old DL/Pell Grant origination process
❖Adjustments sent as a replacement to the disbursement amount
CMLCT 2-14
FSA University


Changes to Processes with COD
❖Disbursement adjustment transactions report the original disbursement date and not the date of the adjustment
❖Single identifier for students
CMLCT 2-15
FSA University


Changes to Processes with COD
❖CPS transaction number is added
❖COD uses CPS transaction number to determine from which transaction to pull
CMLCT 2-16
FSA University

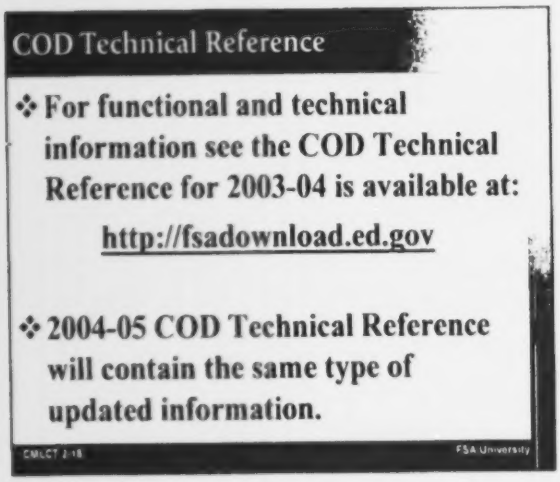
COD will be pulling some of the student data needed to process the student from Central Processing System (CPS) instead of the school reporting it. Data elements that will be matched to CPS are:

- Award year,
- Social Security Number (SSN),
- Date of birth,
- Last name, and
- CPS transaction number.



When data is pulled from CPS, COD will use the CPS transaction number that is reported in the award block to determine from which transaction to pull.

2003-04 COD Technical Reference


COD Technical Reference
❖ For functional and technical information see the COD Technical Reference for 2003-04 is available at:
http://fsadownload.ed.gov
❖ 2004-05 COD Technical Reference will contain the same type of updated information.
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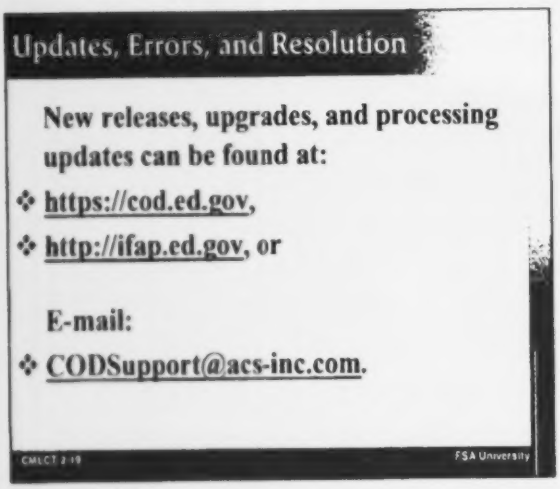
The COD Technical Reference includes both functional and technical information for the COD system. This technical reference can be accessed at: http://fsadownload.ed.gov. Accounting, Financial Aid, and IT staff are encouraged to review this important reference guide.

COD System Updates, Errors, and Resolution



You may also contact the COD School Relations Center at 1-800-4PGRANT, or e-mail CODSupport@acs-inc.com.

Activity

Please answer the questions on the following page.

Knowledge Check Questions

1. **True or False:** All schools will become COD Full Participants for the 2005-06 award year.

   ☐ True

   ☐ False

2. Where can you access key information available with new releases and upgrades?

   _____

   _____

   _____

   _____

3. **True or False:** Schools may process as a Full Participant for one program and as a Phase-In Participant for the other.

   ☐ True

   ☐ False

4. What does the COD Technical Reference include?

   _____

   _____

   _____

   _____

5. How is COD beneficial for reconciliation?

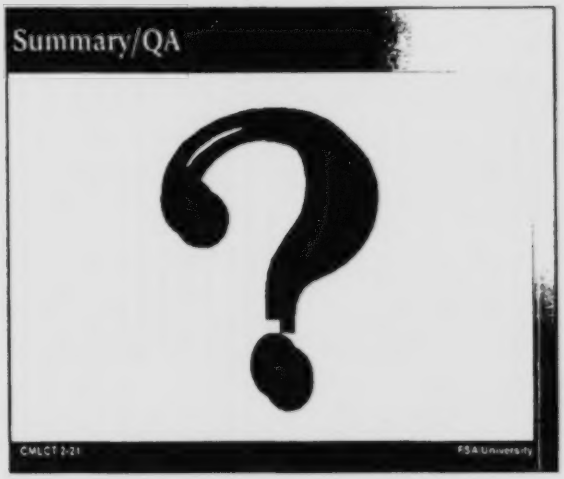
   _____

   _____

   _____

   _____

Summary/QA



In this module, we:

- Discussed the features and benefits of the COD system;
- Identified differences between a Full Participant and Phase-In Participant;
- Informed you of where to look for information regarding new releases and upgrades to the COD system; and
- Identified where functional and technical information for COD can be located.

Next, we will discuss COD in further detail and a few other cash management tools made available by ED to assist with cash management and reconciliation of Title IV program funds.

Module 3:
Cash Management Tools

Resources

- Federal Regulations 34CFR Part 668, Subpart K (Cash Management),
- *FSA Handbook* 2002-03, Volume 2, Chapter 5 and Volume 3, Chapter 3,
- DL Tools software, http://fsadownload.ed.gov/softDLTools0203.htm,
- COD Web site, https://cod.ed.gov,
- e-Payments Web site, https://e-grants.ed.gov/gapsweb/epHome.asp,
- COD Technical Reference, http://fsadownload.ed.gov/CODTechRef0304.htm, and
- GAPS Web site, http://e-grants.ed.gov/egwelcome.asp.

Did You Know?

A first-year, first-time borrower who withdraws before the 30th day of his or her program of study at a school that is not exempt from the 30-day delay provision is prohibited from receiving any Federal Family Education Loan (FFEL) or Direct Loan funds at the time he or she withdraws.

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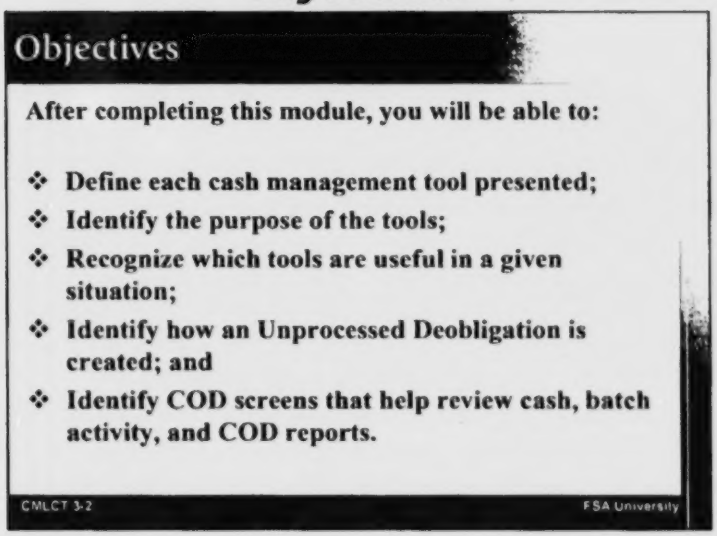
Objectives


Objectives
After completing this module, you will be able to:
❖ Define each cash management tool presented;
❖ Identify the purpose of the tools;
❖ Recognize which tools are useful in a given situation;
❖ Identify how an Unprocessed Deobligation is created; and
❖ Identify COD screens that help review cash, batch activity, and COD reports.
CMLCT 3-2
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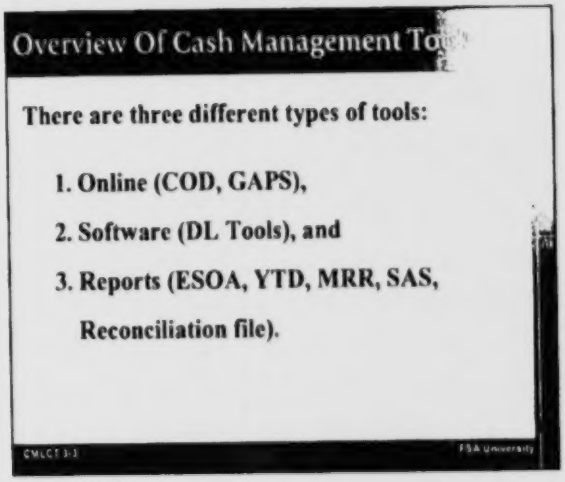
Overview of Cash Management Tools


Overview Of Cash Management To
There are three different types of tools:
1. Online (COD, GAPS),
2. Software (DL Tools), and
3. Reports (ESOA, YTD, MRR, SAS, Reconciliation file).
CMLCT 3-3
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There are a variety of tools provided by FSA that schools can use in cash management.

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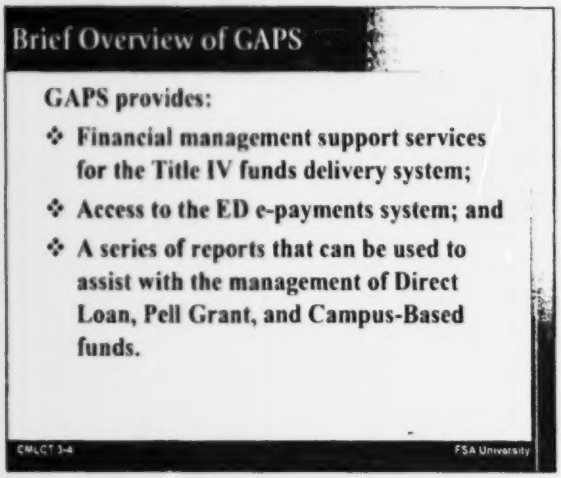
Online Tools: GAPS and COD

Brief Overview of GAPS

The Grant Administration and Payment System (GAPS) is the Department of Education's (ED) payment system that provides financial management support services for the Title IV funds delivery system.


Brief Overview of GAPS
GAPS provides:
❖ Financial management support services for the Title IV funds delivery system;
❖ Access to the ED e-payments system; and
❖ A series of reports that can be used to assist with the management of Direct Loan, Pell Grant, and Campus-Based funds.
CMLCT 3-4
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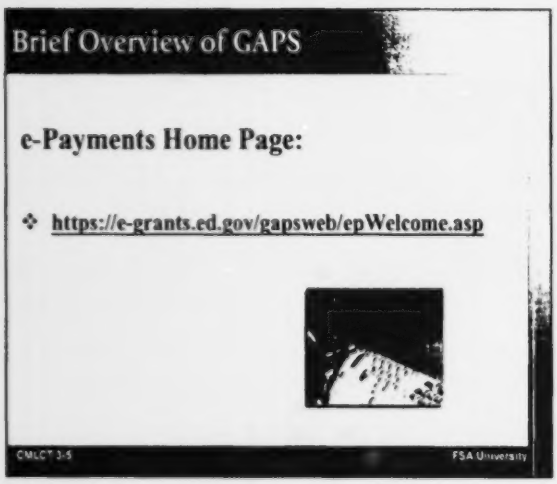
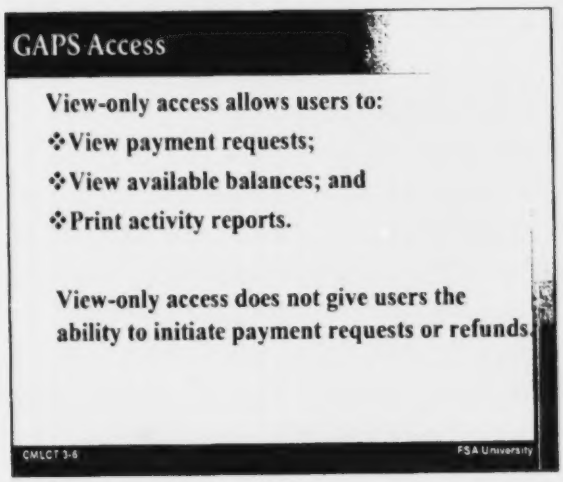


Through GAPS, schools may access reports to help them manage their Title IV cash. You may access the main menu to GAPS at: https://e-grants.ed.gov/gapsweb/epWelcome.asp.

GAPS Access

Previously, only the Business Office had access to the e-payments functions of GAPS. To enhance the Web site for school use, a second type of access, "view-only access," has been introduced.

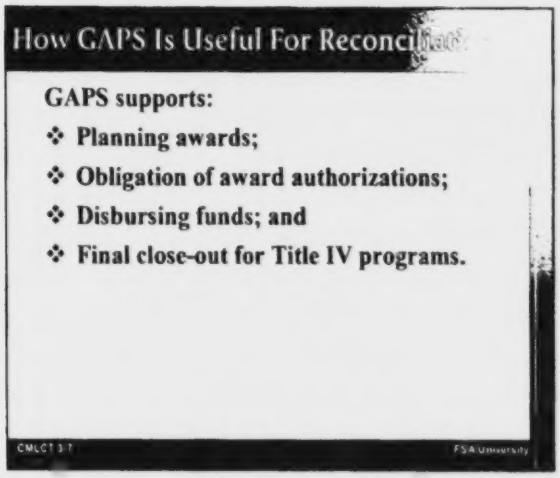

GAPS Access
View-only access allows users to:
❖View payment requests;
❖View available balances; and
❖Print activity reports.
View-only access does not give users the ability to initiate payment requests or refunds.
CMLCT 3-6
FSA University

Access to the GAPS Web site is password protected. Each school has five available IDs for view-only access.

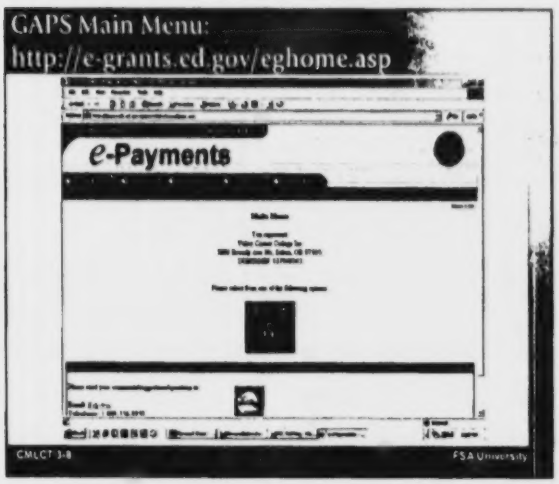
To request a GAPS user ID and password for view-only access, schools can download the External Security Access Form from the e-payments Web Site. Click the "Downloads" Icon and select the box that is labeled "view-only access." Next, you should submit the completed form by fax to 202-401-0006. Your password will be sent to the e-mail address you provide.

For additional information, you may contact the GAPS Help Desk at 1-888-336-8930.

How GAPS Is Useful for Monthly/Year-End Reconciliation



The GAPS Web site provides access to the ED e-payments system and a series of reports that can be used to assist with the management and reconciliation of Title IV funds.



The main menu allows the user to:

- Submit Cash Requests;
- Update and adjust utilization of funds received; and
- Monitor and report on expenditures.

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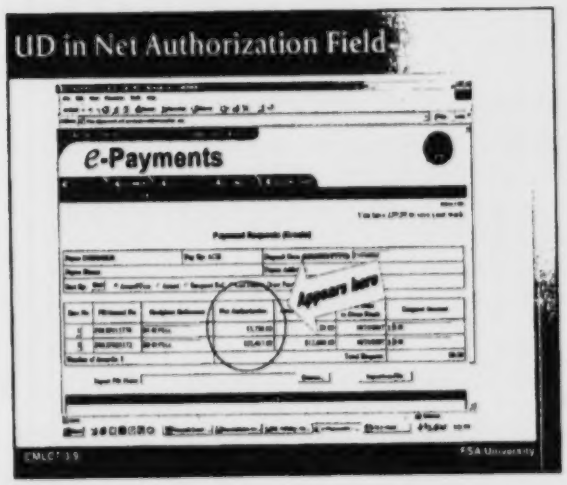
Unprocessed Deobligations

GAPS provides information that helps to identify levels of funding which can be helpful in reconciling cash balances.

For the Pell Grant and Campus-Based programs, if the obligation amount of a fully disbursed award is subsequently reduced by an ED Program Office, an Unprocessed Deobligation (UD) is created. This amount is reflected in e-payments in the Payment Requests Menu Net Authorization field.



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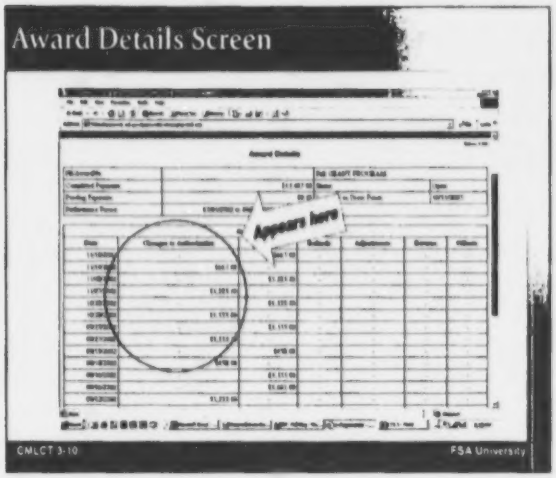
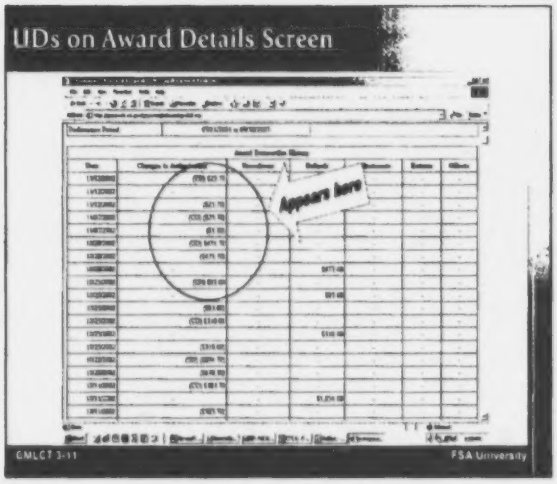
A UD may also appear on the Award Details screen.

Award Details Screen



UDs on Award Details Screen



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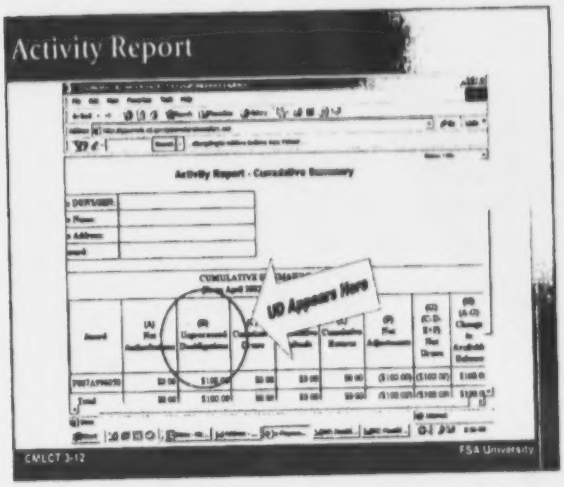
This is the GAPS Activity Report.



The Cumulative Summary Table of the report contains summary and detail level drawdown activity and authorization changes from the start of the award to the date of the award.

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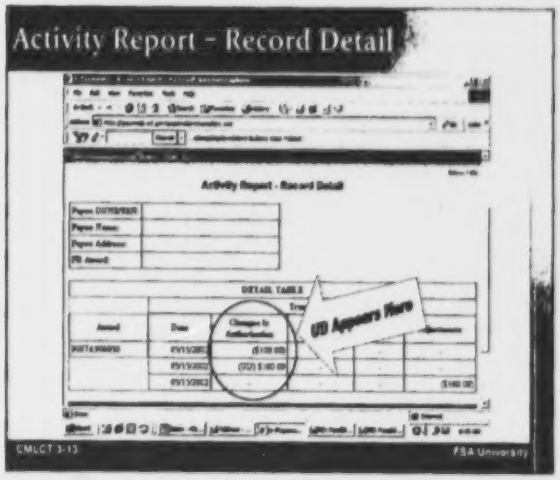
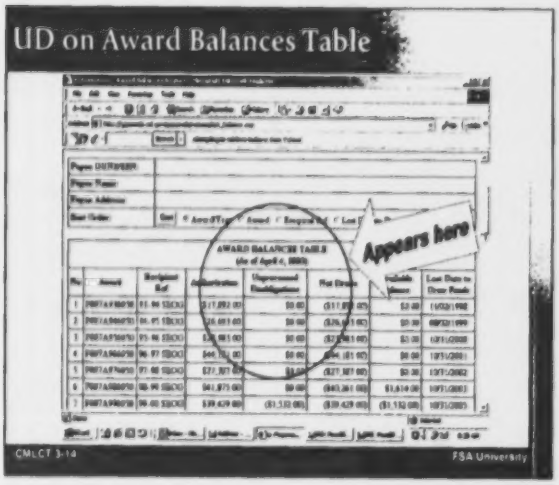
The Activity Report – Record Detail screen shows detail transactions that make up the Cumulative Summary Table. These figures represent individual transactions.



A UD is reported in a new column called "Unprocessed Deobligations" in the Activity Report – Record Detail screen and Award Balances Table.



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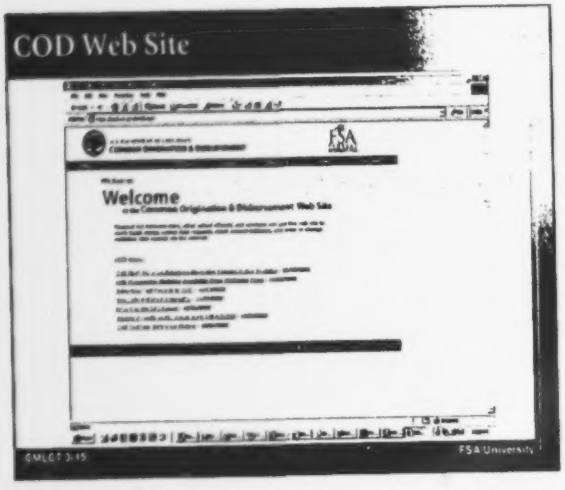
COD and Cash Management

How to Locate the COD Web Site

Access the COD Web site at https://cod.ed.gov.

This is the Welcome screen.



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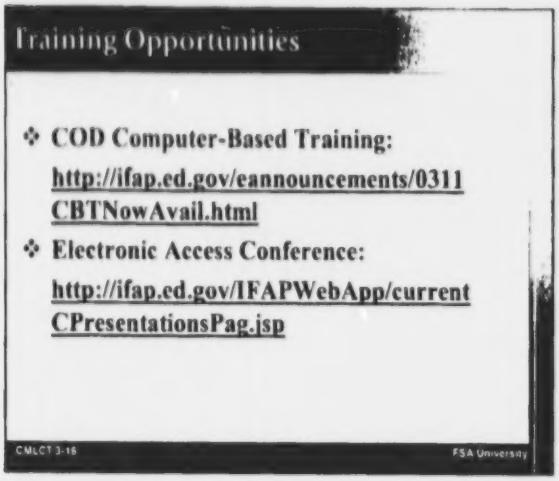
Training Opportunities



COD Computer-Based Training

The COD Simulation Training Program is located at:
http://ifap.ed.gov/eannouncements/0311CBTNowAvail.html.

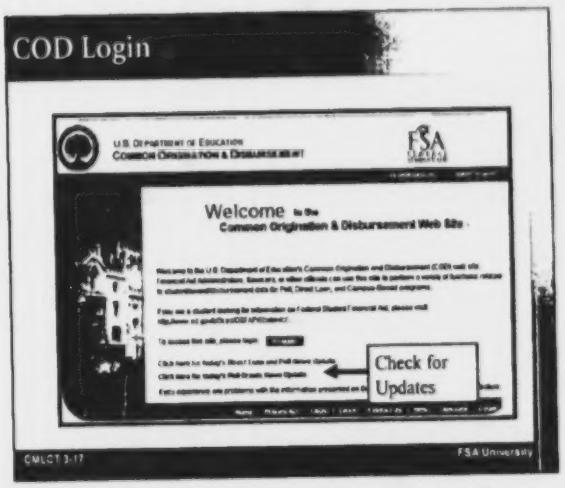
Electronic Access Conferences

FSA will hold its annual Electronic Access Conferences (EAC) in November and December 2003. For the latest information on training, look at the following Web site:
http://ifap.ed.gov/IFAPWebApp/currentDPCLettersTypePag.jsp?p1=ANN&p2=c.

For information on conference presentations, view the following Web site:
http://ifap.ed.gov/IFAPWebApp/currentCPresentationsPag.jsp.

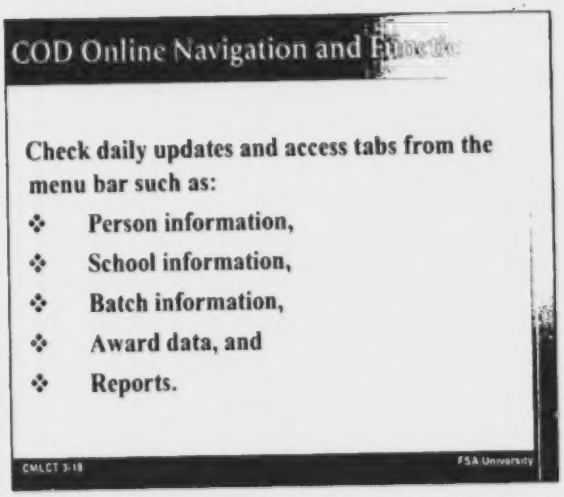
Access to the COD Web Site

To gain access to the COD Web site, you must have an ED-approved security administrator. The security administrator can provide access to the COD Web site for users from your school. The Web site to access this is: http://ifap.ed.gov/cod/0318Schoolaccess.html.



COD Online Navigation and Functionality

When you access the COD Web site URL https://cod.ed.gov, the Login screen will appear. Enter your system-administrator-provided login ID and password.



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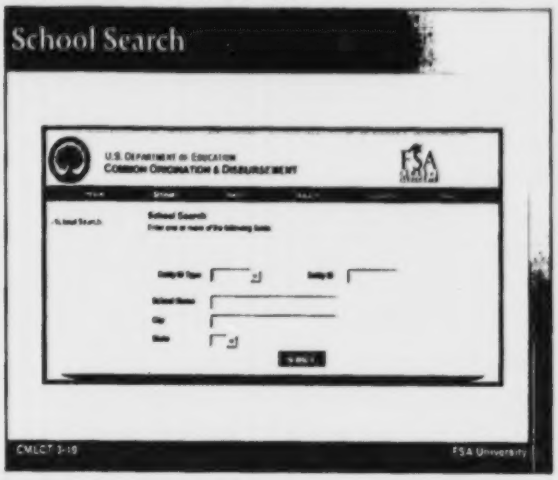
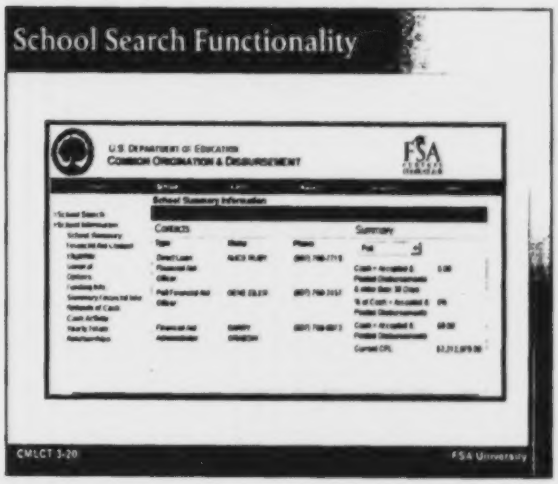
School Search



Housed within this functionality are screens showing detailed funding information, refunds of cash, cash activity, and summary financial information.



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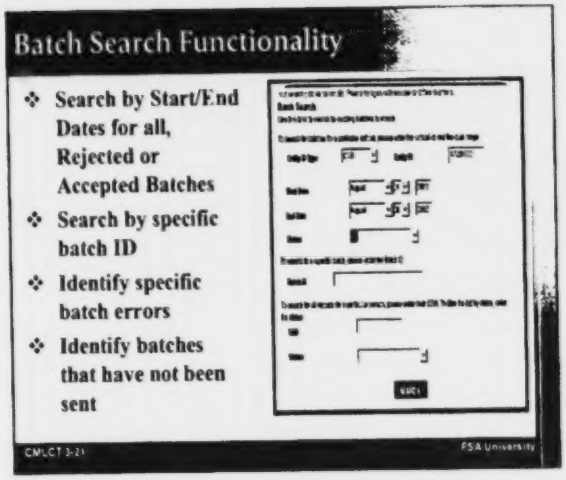
Batch Search Functionality


Batch Search Functionality
❖ Search by Start/End Dates for all, Rejected or Accepted Batches
❖ Search by specific batch ID
❖ Identify specific batch errors
❖ Identify batches that have not been sent
CMLCT 3-21
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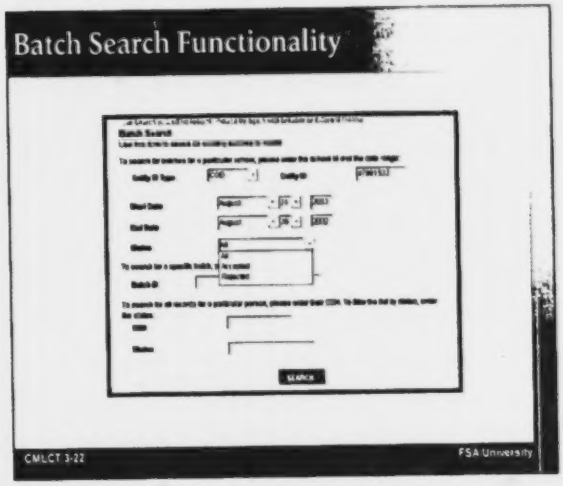
Under the Batch search functionality you can search for batches using different field values. You may also view various details about the batch.



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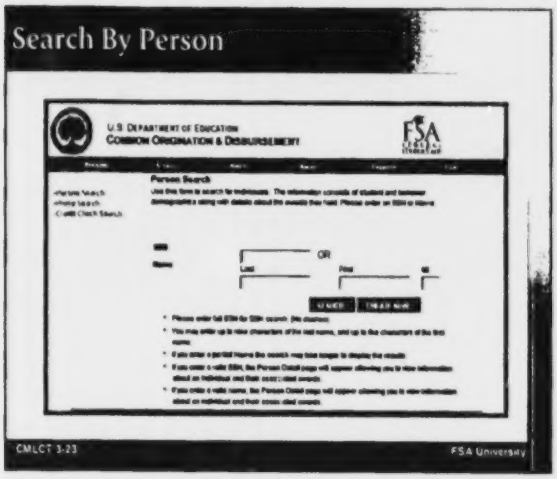
Person Search Functionality



Under the Person search functionality you can view Direct Loan and Pell Grant Activitiy.

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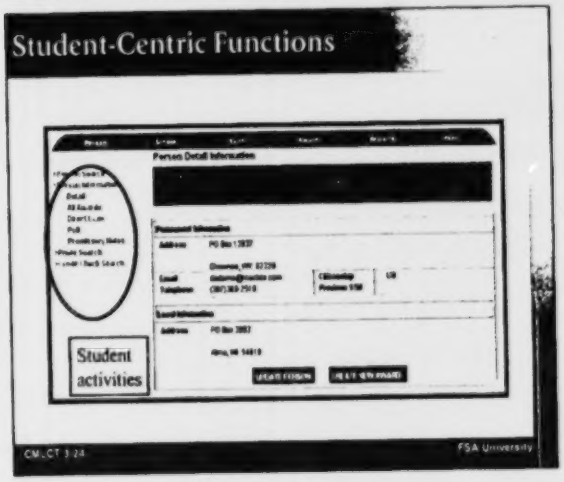
Student-Centric Functions



COD is student-centric, which means you can locate information for ALL programs by the student's SSN or name.

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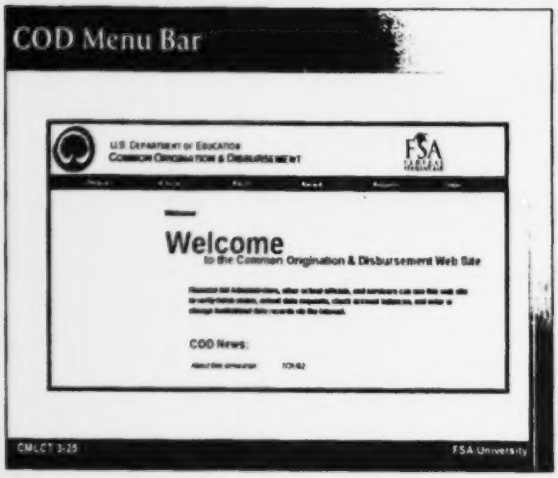
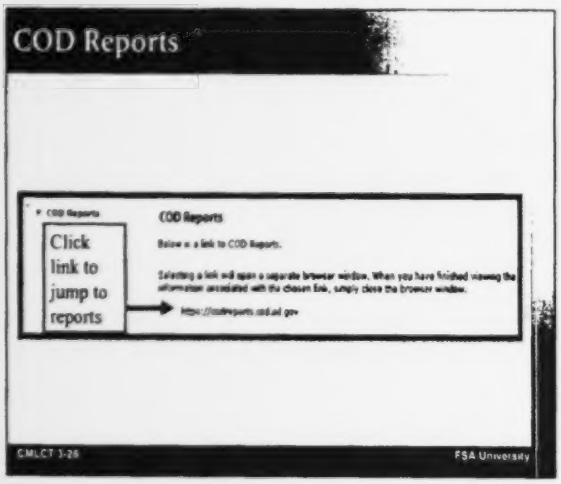
Reports Menu



Several Direct Loan reports are available or are under construction from the Reports menu. This menu is accessible from the COD Menu Bar. Go to https://codreports.cod.ed.gov to access the reports.



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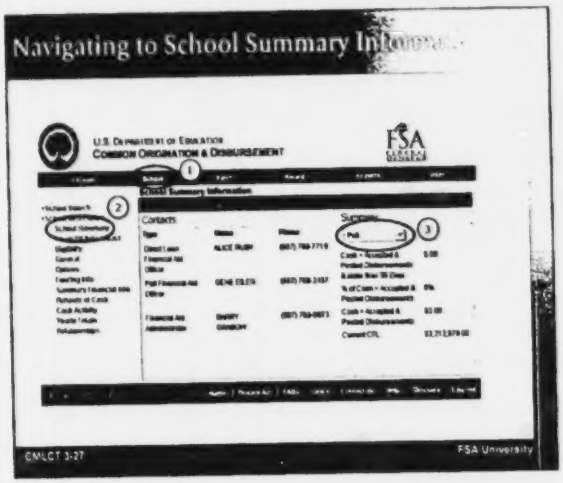
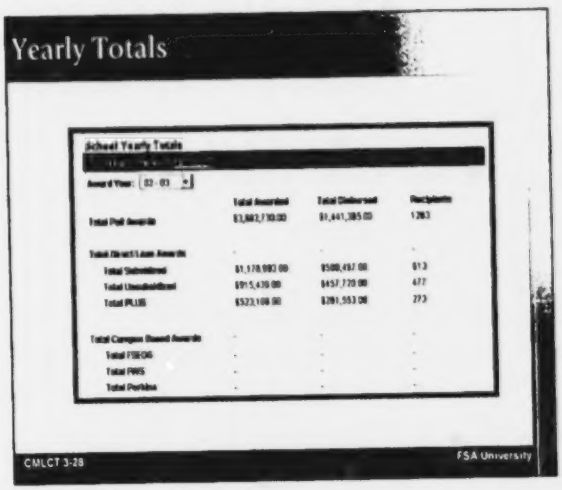
Cash Management Screens from COD

There are specific screens in COD that can assist schools in cash management and reconciliation. These screens include the School Summary and the School Yearly Totals screens.

This is the School Summary Information screen.



This is the School Yearly Totals screen.



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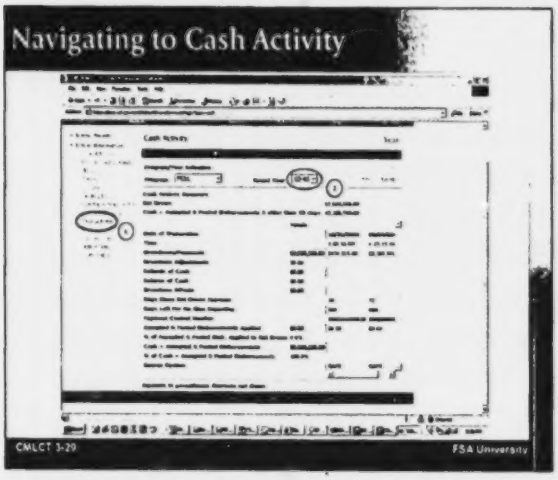
Reviewing Cash Activity and Batch Activity via COD

There are screens available in the COD system that allow you to monitor the cash activity and batch activity at your school.

This is the Cash Activity screen.



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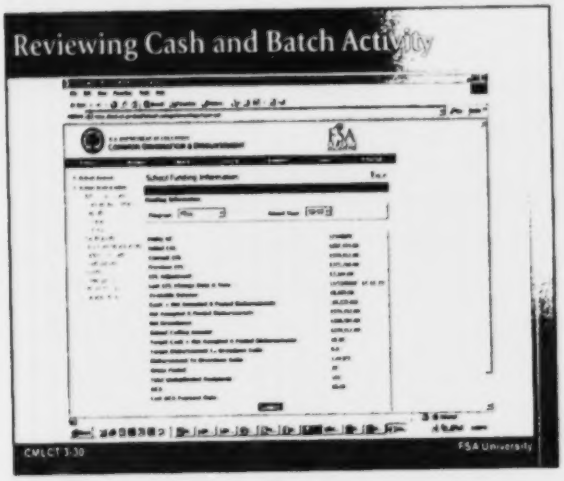
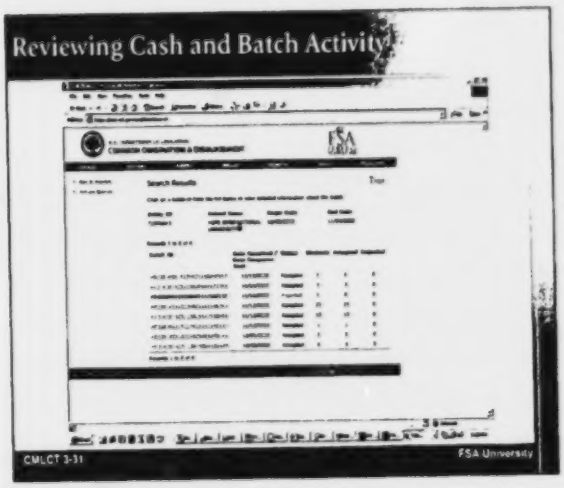
This is the School Funding Information screen.



This is the Batch Search Results screen.



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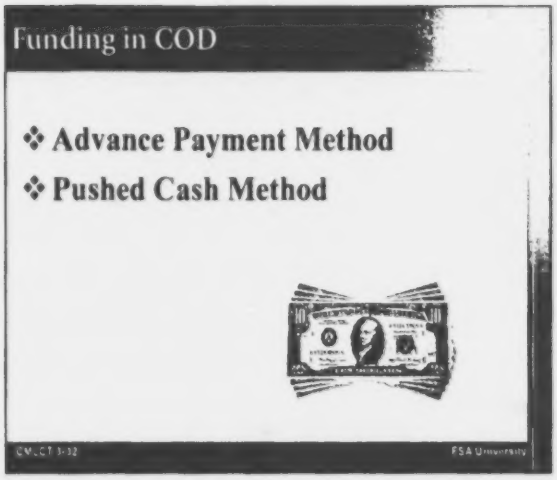
Funding in COD



Advance Payment Method

Under the Advance Payment Method, the initial Current Funding Level (CFL) is created in the spring for the Federal Pell Grant Program. A school cannot draw down cash that exceeds their CFL.

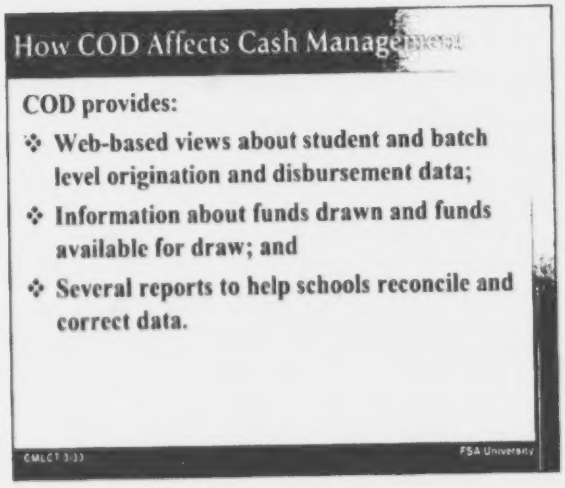
The initial CFL is created at the beginning of the program year (February) for Direct Loans. The CFL is increased as a school submits and COD accepts actual disbursement records to the COD system.

Pushed Cash Method

Under the Pushed Cash Method, funding is driven by submission and acceptance of actual disbursement records.

How COD Affects Cash Management

The COD system helps schools improve financial integrity by ensuring that Title IV funds are well managed.


How COD Affects Cash Management
COD provides:
❖ Web-based views about student and batch level origination and disbursement data;
❖ Information about funds drawn and funds available for draw; and
❖ Several reports to help schools reconcile and correct data.
CMLCT 3-33
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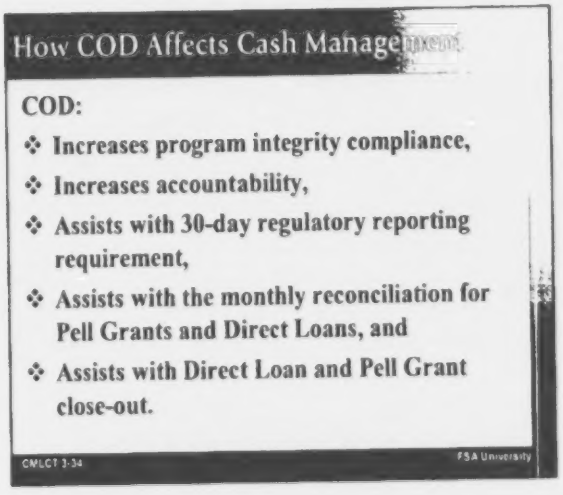
COD supports cash management compliance in that it:


How COD Affects Cash Management
COD:
❖ Increases program integrity compliance,
❖ Increases accountability,
❖ Assists with 30-day regulatory reporting requirement,
❖ Assists with the monthly reconciliation for Pell Grants and Direct Loans, and
❖ Assists with Direct Loan and Pell Grant close-out.
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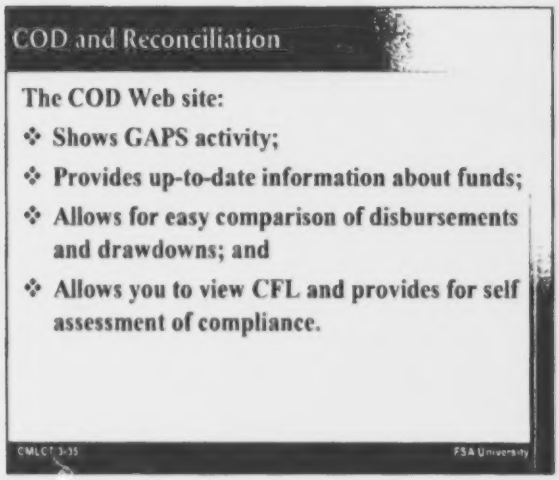
COD and Reconciliation

The reconciliation process and requirements under COD have not changed. However, there are additional tools to assist schools with reconciliation. The Pell Grant Year-to-Date files and the Pell Grant reconciliation files as well as the new combined DLSAS and 732 Report, now called the School Account Statement (SAS) are available via COD.


COD and Reconciliation
The COD Web site:
❖ Shows GAPS activity;
❖ Provides up-to-date information about funds;
❖ Allows for easy comparison of disbursements and drawdowns; and
❖ Allows you to view CFL and provides for self assessment of compliance.
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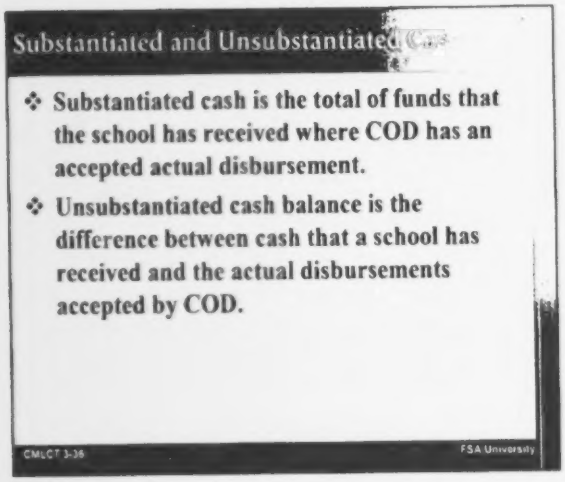
Substantiated and Unsubstantiated Cash


Substantiated and Unsubstantiated Cash
❖ Substantiated cash is the total of funds that the school has received where COD has an accepted actual disbursement.
❖ Unsubstantiated cash balance is the difference between cash that a school has received and the actual disbursements accepted by COD.
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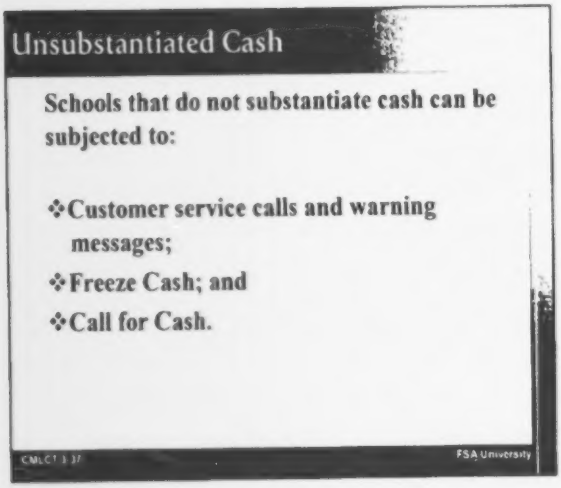
FSA University

Unsubstantiated Cash Balance


Unsubstantiated Cash
Schools that do not substantiate cash can be subjected to:
❖Customer service calls and warning messages;
❖Freeze Cash; and
❖Call for Cash.
FSA University

Please answer the questions on the following page.

Knowledge Check Questions

1. What is the URL for the COD Web site?

2. What COD screens help you review Cash and Batch activity?

3. What information can be found on the Cumulative Summary Table in the GAPS Activity Report?

4. What information is found on the record detail of the GAPS Activity report?

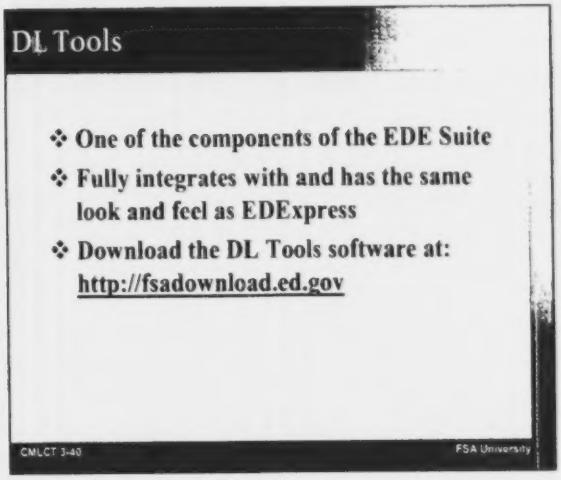
5. How many user IDs are available per school for view-only access for GAPS?

Activity: CMT Tic Tac Toe

This activity will help you review concepts covered in modules 1 through 3.

Software Tool: DL Tools

DL Tools is stand-alone software provided by the Department of Education (ED).


DL Tools
❖ One of the components of the EDE Suite
❖ Fully integrates with and has the same look and feel as EDExpress
❖ Download the DL Tools software at: http://fsadownload.ed.gov
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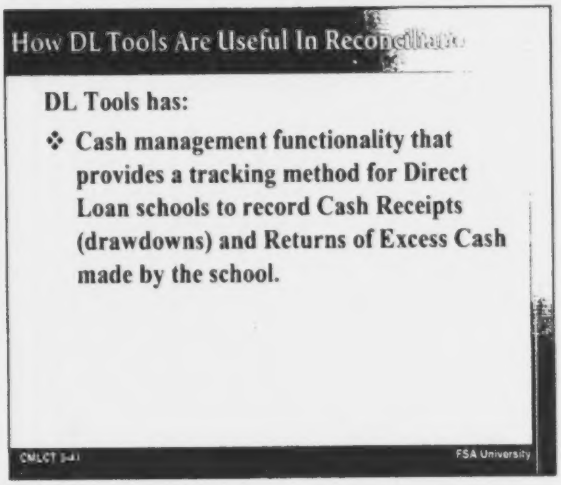
How the DL Tools Software Is Useful in Monthly/Year-End Reconciliation


How DL Tools Are Useful In Reconciliation
DL Tools has:
❖ Cash management functionality that provides a tracking method for Direct Loan schools to record Cash Receipts (drawdowns) and Returns of Excess Cash made by the school.
CMLCT 3-41
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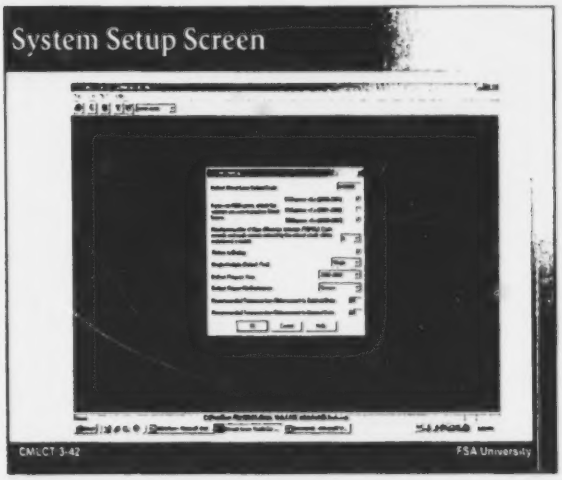
System Setup

You have the option of a standalone PC or network installation. System setup is required prior to using the DL Tools software. On the System Setup screen, you must select your DL school code. You may also set the default print option (single or multiple) and the file destination (screen, printer, or file) in this screen.

System Setup Screen



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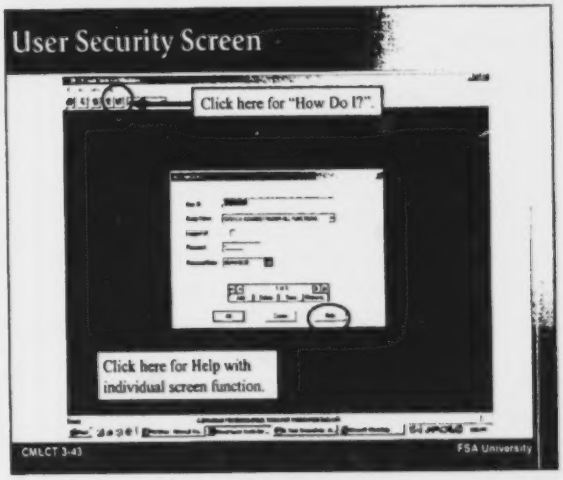
If you have questions regarding how to perform a function in DL Tools, help text is available via the main Help drop-down menu from the tool bar.


User Security Screen
Click here for "How Do I?".
Click here for Help with individual screen function.
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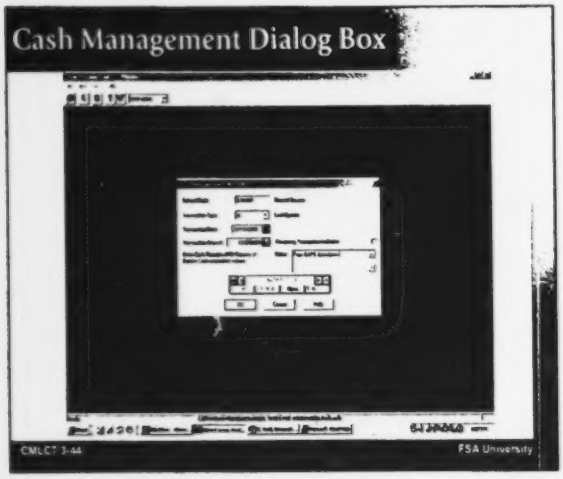

The Cash Management Dialog box allows users to add, delete, save, and retrieve cash transactions.

Entry fields for the Cash Management dialog box include:

- School code,
- Transaction Type/Action taken (R=cash receipt; X=return of excess cash),
- Date, and
- Notes field.

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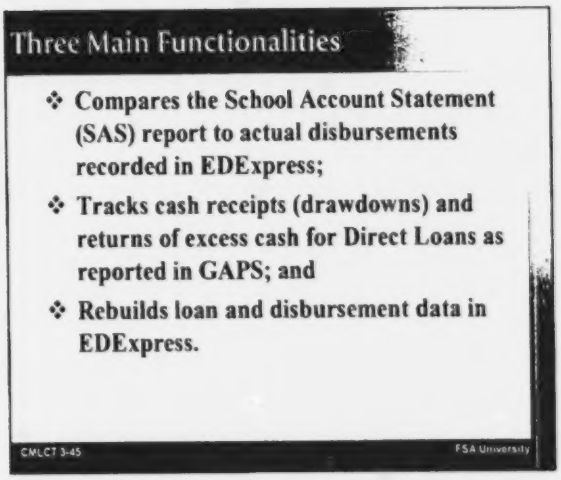
DL Tools has three main functionalities.


Three Main Functionalities
❖ Compares the School Account Statement (SAS) report to actual disbursements recorded in EDExpress;
❖ Tracks cash receipts (drawdowns) and returns of excess cash for Direct Loans as reported in GAPS; and
❖ Rebuilds loan and disbursement data in EDExpress.
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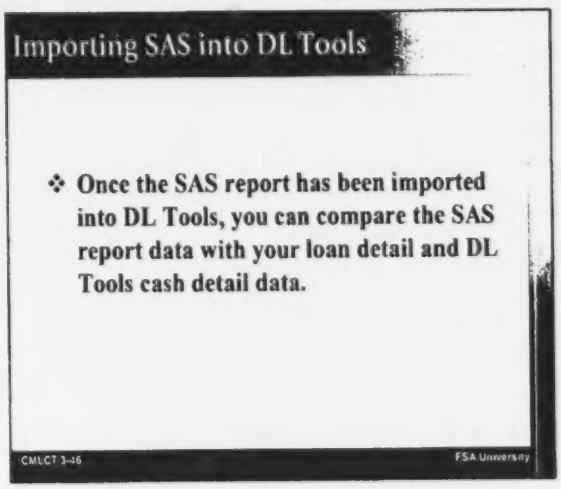
FSA University

Importing the School Account Statement (SAS) file into DL Tools

Before comparing any data in DL Tools, you must first import a SAS report. A sample of this report is included in **Appendix C**, beginning on page **C-1**.


Importing SAS into DL Tools
❖ Once the SAS report has been imported into DL Tools, you can compare the SAS report data with your loan detail and DL Tools cash detail data.
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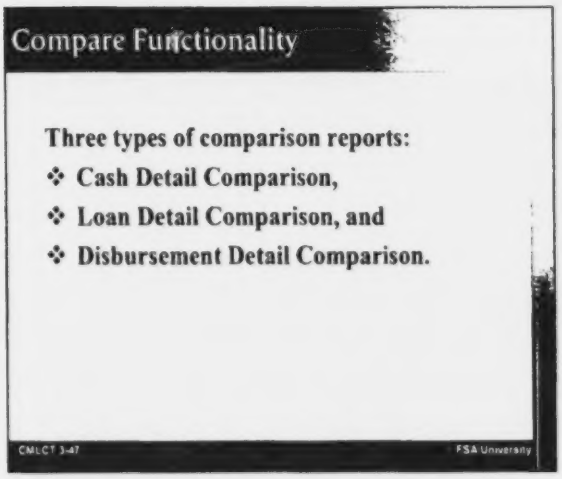
FSA University

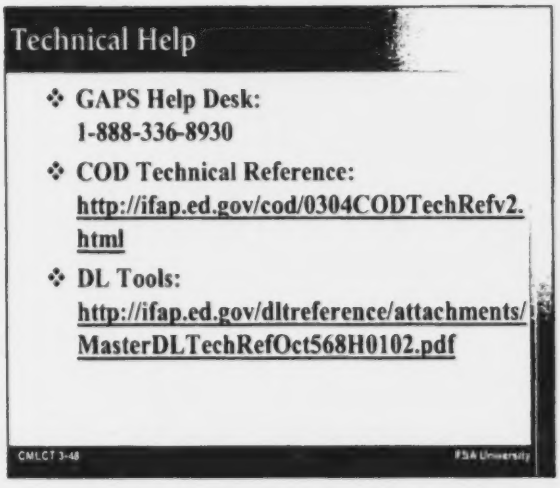
Compare Functionality

DL Tools provides three types of comparison reports:



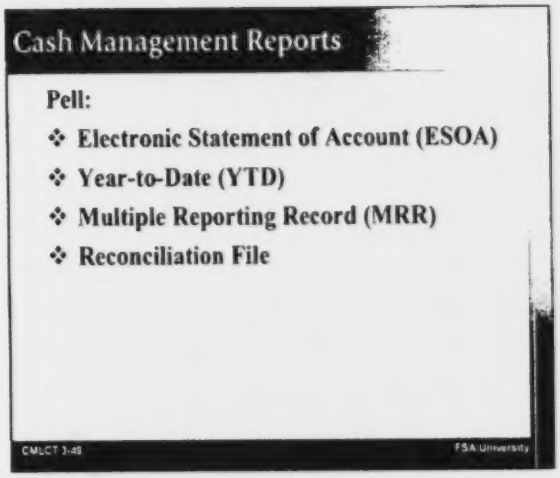
Technical Help

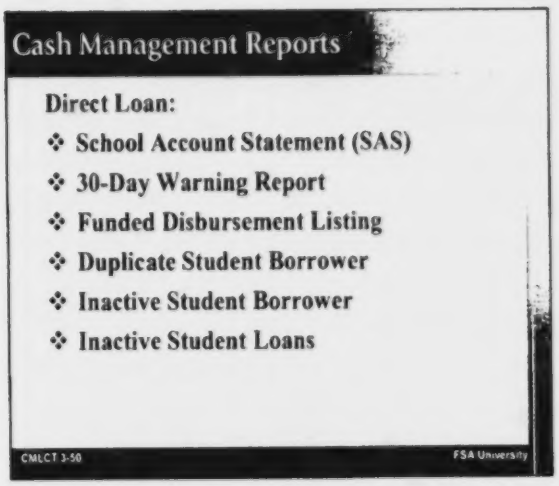
Technical assistance can be found for these tools at:



Cash Management Reports

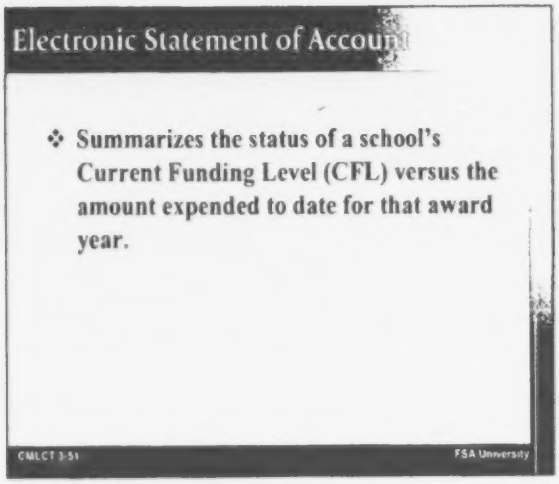
The following reports are important for cash management of the Pell Grant and Direct Loan programs.





Samples of these reports are listed in **Appendix C**, beginning on page **C-1**.

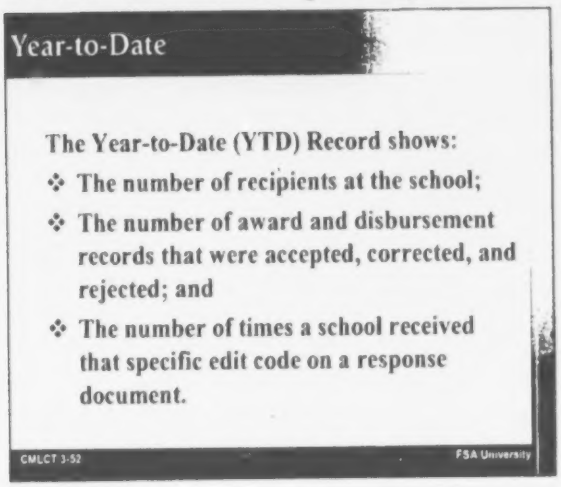
Electronic Statement of Account (ESOA)


Electronic Statement of Accoun
Summarizes the status of a school's Current Funding Level (CFL) versus the amount expended to date for that award year.
CMLCT 3-51
FSA University

The Electronic Statement of Account (ESOA) is an account statement from GAPS that lists funding levels, account balances, and accepted student disbursements as reported by GAPS.

A sample ESOA report is available in **Appendix C,** page **C-15**.

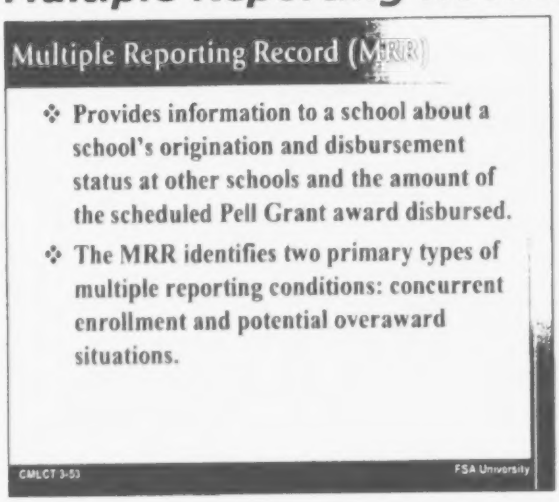
Year-to-Date (YTD)


Year-to-Date
The Year-to-Date (YTD) Record shows:
❖ The number of recipients at the school;
❖ The number of award and disbursement records that were accepted, corrected, and rejected; and
❖ The number of times a school received that specific edit code on a response document.
CMLCT 3-52
FSA University

The Pell Year-to-Date (YTD) Record shows the number of recipients at the school; the number of award and disbursement records that were accepted, corrected, and rejected, and for certain edit codes, the number of times a school received that specific edit code on a response document.

A sample YTD report is available in **Appendix C**, beginning on page **C-22**.

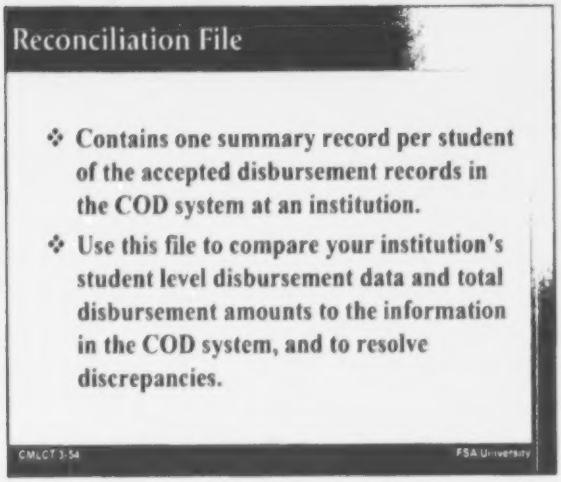
Multiple Reporting Record (MRR)


Multiple Reporting Record (MRR)
❖ Provides information to a school about a school's origination and disbursement status at other schools and the amount of the scheduled Pell Grant award disbursed.
❖ The MRR identifies two primary types of multiple reporting conditions: concurrent enrollment and potential overaward situations.
CMLCT 3-53
FSA University

An MRR can be COD system generated or may be requested by the school.

A sample MRR is available in **Appendix C**, page **C-18**.

Reconciliation File


Reconciliation File
❖ Contains one summary record per student of the accepted disbursement records in the COD system at an institution.
❖ Use this file to compare your institution's student level disbursement data and total disbursement amounts to the information in the COD system, and to resolve discrepancies.
CMLCT 3-54
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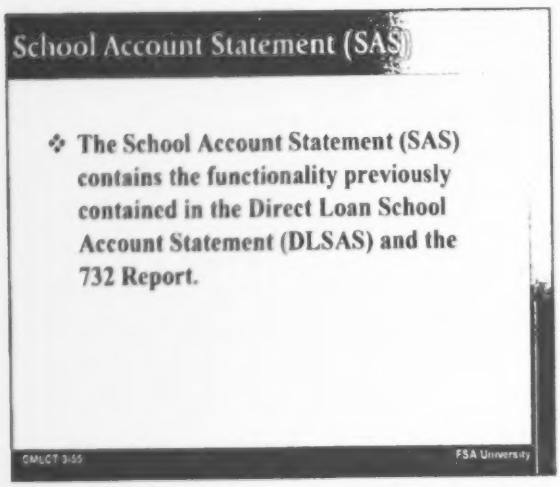
Upon receipt of a school request, COD will create and forward a Pell Grant Reconciliation File (PGRC##OP.DAT).

A sample Reconciliation file is available in **Appendix C,** page **C-19**.

School Account Statement (SAS)

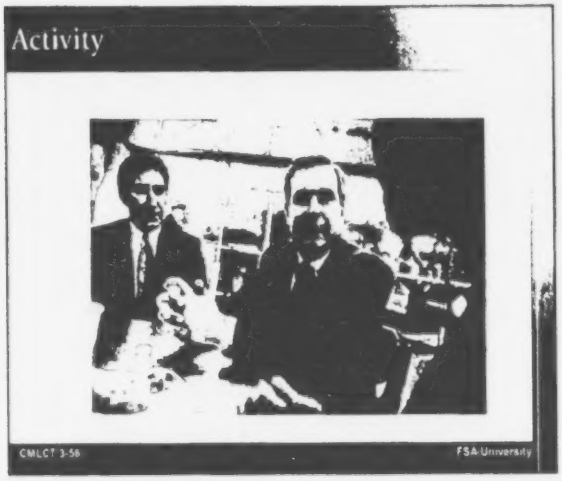
The COD system generates the School Account Statement (SAS) on a monthly basis.


School Account Statement (SAS)
The School Account Statement (SAS) contains the functionality previously contained in the Direct Loan School Account Statement (DLSAS) and the 732 Report.
FSA University

Schools receive the SAS in the following formats:

- Fixed-length flat file (message class DSDF04OP – Disbursement level and DSLF04OP – Loan level);
- Comma delimited (message class DSDD04OP – Disbursement level and DSDDF04OP – Loan level); and
- Schools have the option of receiving the SAS in comma delimited format with or without headings.

Summary information is always on the SAS. A sample SAS is available in **Appendix C**, beginning on page **C-1**.



Please answer the questions on the following page.

Knowledge Check Questions

1. Which tool would be most useful in accessing yearly totals that include the total amount awarded, total disbursed, and the number of recipients for the Pell Grant and Direct Loan programs?

   ☐ FISAP
   ☐ DL Tools
   ☐ COD

2. Which tool would be most useful in recording cash receipts and returns of excess cash for the Direct Loan program?

   ☐ GAPS
   ☐ DL Tools
   ☐ COD

3. What does the acronym UD stand for?

_____

_____

_____

4. How is an unprocessed deobligation created?

_____

_____

_____

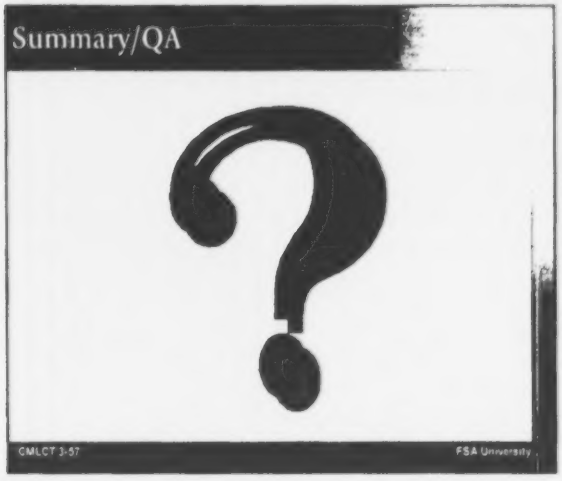
5. On which two reports can you find the "unprocessed deobligation" column?

_____

_____

_____

Summary/QA



In this module, we:

- Presented and defined cash management tools;
- Identified how unprocessed deobligations are created; and
- Identified COD screens that assist with cash management and reconciliation.

Next, we will discuss the importance of good communication between the Business Office and the Financial Aid Office and the importance of reconciliation and program-year close-out to the cash management process.

Module 4: Reconciling Title IV Program Funds and Program-Year Close-Out

Resources

- *The Blue Book* June 2001 Chapters 5 and 6,
- Federal Regulations 34CFR, Part 668, Subpart K (Cash Management),
- *Federal Student Aid Handbook* 2002-03, Volume 2, Chapter 5,
- e-Payments Web site, http://e-grants.ed.gov/gapsweb/epHome.asp,
- Schools Portal, http://fsa4schools.ed.gov,
- COD Web site, https://cod.ed.gov, and
- DL Tools software, http://fsadownload.ed.gov/softDLTools0203.htm.

Did You Know?

The term *post-withdrawal disbursement* was created to distinguish disbursements made after a student withdraws from disbursements made after a student loses eligibility (late disbursements).

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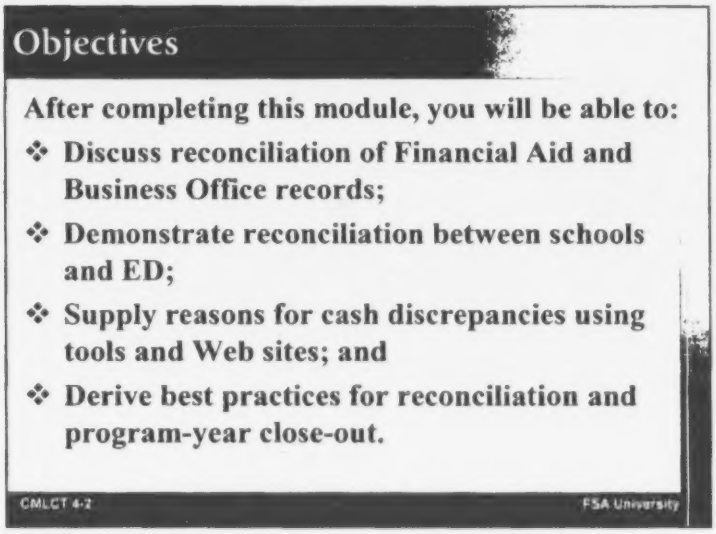
Objectives


Objectives
After completing this module, you will be able to:
❖ Discuss reconciliation of Financial Aid and Business Office records;
❖ Demonstrate reconciliation between schools and ED;
❖ Supply reasons for cash discrepancies using tools and Web sites; and
❖ Derive best practices for reconciliation and program-year close-out.
CMLCT 4-2
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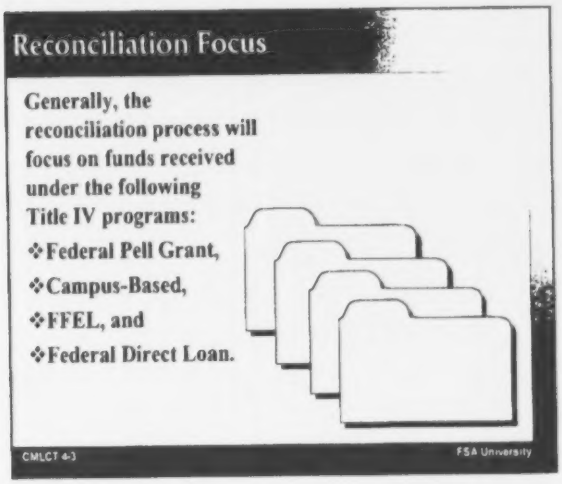
Overview of the Reconciliation Process

Historically, reconciliation of funds is one area that presents challenges for institutions. Reconciliation is the analysis, adjustment, and correction of internal institutional and/or external program records to clearly reflect the utilization of Title IV funds received by an institution, including amounts received by specific student participants.

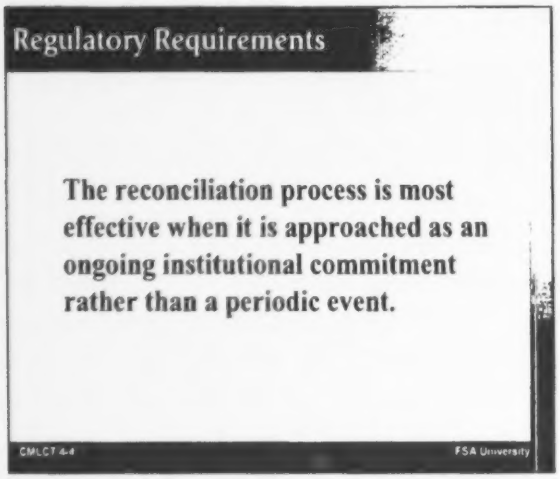


Several components of the reconciliation process that will assist schools with data matching and reporting are:

- Institutional Bank Statements,
- Institutional Financial Aid Reports (Business Office/Comptroller),
- Institutional Title IV Financial Aid Ledgers,
- Student Payment History Records (Accounts Receivable Ledgers),
- FFEL Electronic Funds Transfer (EFT) Rosters and Reports,
- Annual FISAP Report (for Campus-Based funds),
- Grant Administration and Payment System (GAPS) Records and Reports, and
- Common Origination and Disbursement (COD) Records and Reports.

Regulatory Requirements

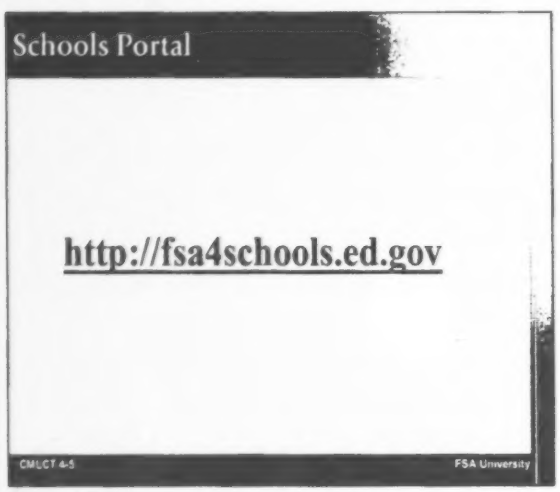
Monthly reconciliation is crucial in ensuring a smooth reconciliation and program-year close-out. Each Title IV program is subject to both specific program requirements and general fiscal stewardship.


Regulatory Requirements
The reconciliation process is most effective when it is approached as an ongoing institutional commitment rather than a periodic event.
CMLCT 4-4
FSA University

For the Direct Loan Program, monthly reconciliation is required under 34 CFR 668.102(b). Details of other program regulatory procedures may be obtained by reviewing 34 CFR 668.24 (a) and (b).

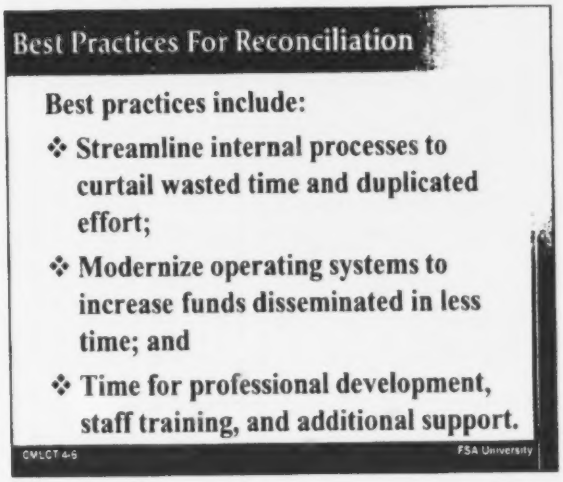
Overview: Using Tools for Reconciliation and Program-Year Close-Out

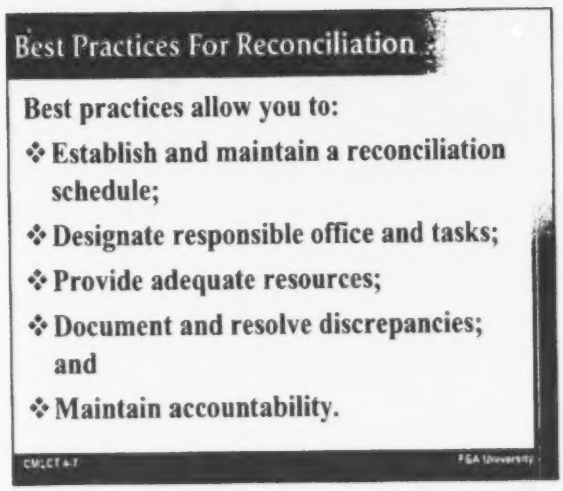
In the previous module, we discussed tools that institutions may use to assist in the reconciliation process. These include those available through the Federal Student Aid Schools Portal.



Best Practices for Reconciliation of Title IV Program Funds

When best practices are in place, institutions are able to:


Best Practices For Reconciliation
Best practices include:
❖ Streamline internal processes to curtail wasted time and duplicated effort;
❖ Modernize operating systems to increase funds disseminated in less time; and
❖ Time for professional development, staff training, and additional support.
CMLCT 4-6
FSA University

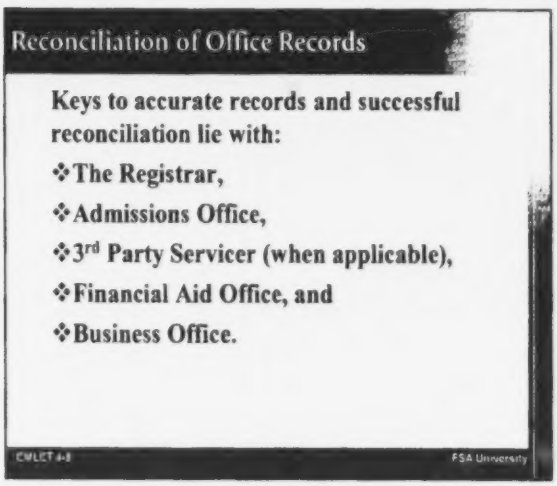

Best Practices For Reconciliation
Best practices allow you to:
❖ Establish and maintain a reconciliation schedule;
❖ Designate responsible office and tasks;
❖ Provide adequate resources;
❖ Document and resolve discrepancies; and
❖ Maintain accountability.
CMLCT 4-7
FSA University

Reconciliation of Financial Aid and Business Office Records

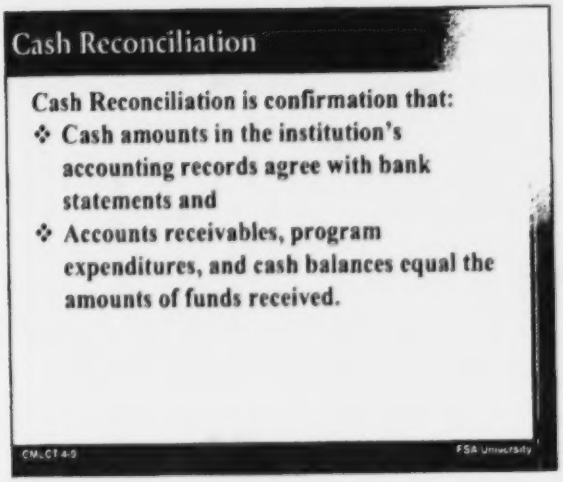
Records maintenance is a shared responsibility between institutional offices. Reconciliation is an institutional responsibility based on the school's Participation Agreement.

The Fina ıcial Aid and Business Offices are the two most directly involved offices in the reconciliation process. It is critical that good lines of communication as well as reliable procedures for the reconciliation of Title IV programs, are established and maintained between these offices.

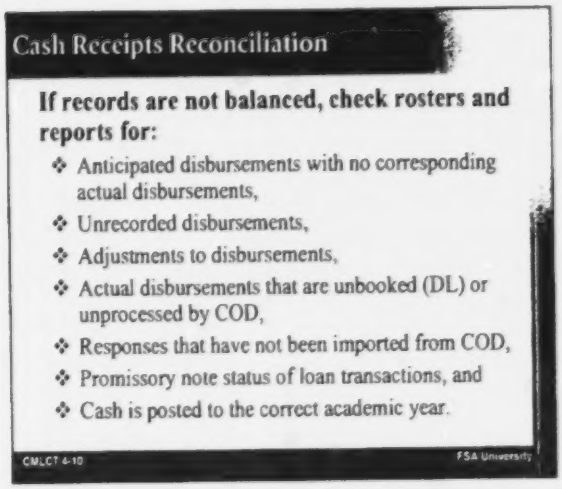
The Financial Aid Office needs to inform the Business Office of drawdowns to be made and the Business Office needs to inform the Financial Aid Office of the GAPS control number from the drawdown in order to maintain solid record keeping.



Cash Receipts Reconciliation


Cash Reconciliation
Cash Reconciliation is confirmation that:
❖ Cash amounts in the institution's accounting records agree with bank statements and
❖ Accounts receivables, program expenditures, and cash balances equal the amounts of funds received.
CMLCT 4-9
FSA University

To facilitate successful reconciliation, you must first know where to start. For the Direct Loan Program, you can check this amount against your School Account Statement (SAS). For Pell Grants, you may check your drawdown amounts against your Electronic Statement of Account (ESOA).


Cash Receipts Reconciliation
If records are not balanced, check rosters and reports for:
❖ Anticipated disbursements with no corresponding actual disbursements,
❖ Unrecorded disbursements,
❖ Adjustments to disbursements,
❖ Actual disbursements that are unbooked (DL) or unprocessed by COD,
❖ Responses that have not been imported from COD,
❖ Promissory note status of loan transactions, and
❖ Cash is posted to the correct academic year.
CMLCT 4-10
FSA University

Reconcile your cash receipts and excess cash transactions with your internal records. Make sure all cash drawn down has been disbursed or returned to ED.

Once your internal records are reconciled, you must check your totals against ED totals. This is external reconciliation.

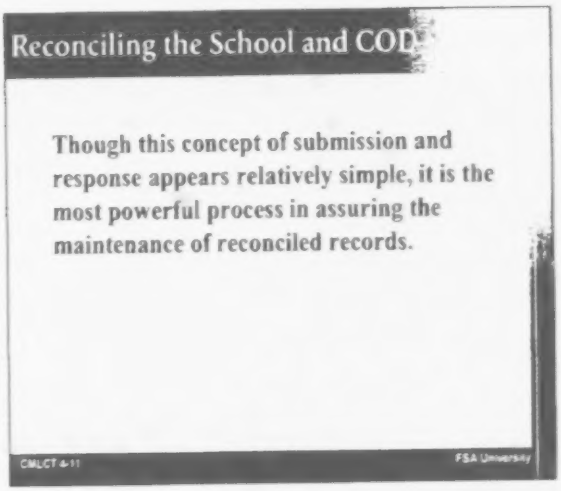
External reconciliation begins when you compare the school's internal cash balance with ED's records (GAPS and COD).

See the reconciliation of cash worksheet in **Appendix H**, page **H-1**.

See samples of deficiency codes in **Appendix J**, starting on page **J-1**.

Reconciliation Between the School and the COD System

The COD system process provides a unique concept of electronic origination submission and response, and disbursement submission and response for both the Pell Grant and Direct Loan Programs.


Reconciling the School and COD
Though this concept of submission and response appears relatively simple, it is the most powerful process in assuring the maintenance of reconciled records.
CMLCT 4-11
FSA University

Submission and Response Process

When an institution submits an electronic origination record either for a Pell Grant recipient or Direct Loan borrower, the record is processed by the COD system, which informs the institution of the results of the process in the form of a response file.

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Reconciliation Process Summary for Pell Grant and Direct Loan

The simple cash balance equation reads: Beginning year cash balance = 0 and the ending year cash balance = 0.

In reconciling cash:

1. Compare:
   - Internal Financial Aid Office records with Finance/Business Office records,
   - Business Office/Financial Aid Office records with records accepted by COD, and
   - COD's records with the school's records in GAPS.

2. Resolve any differences:

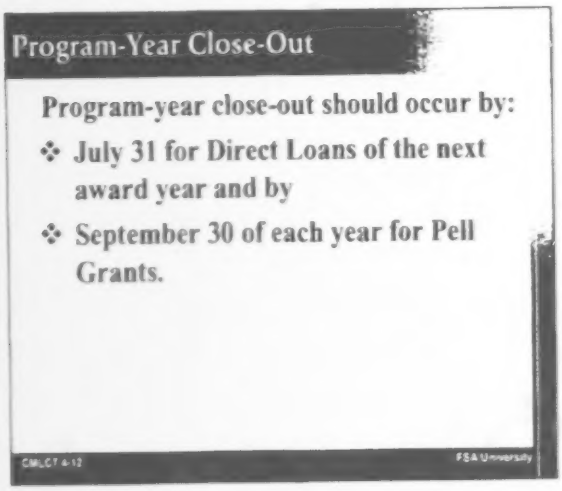
   Differences usually occur because of timing errors, recording errors, or unrecorded entries. Check batches not sent to COD, batches sent to COD but not acknowledged, acknowledgements received by COD but not recorded in the school's system, and corrected records not yet transmitted to COD.

3. Balance funds:

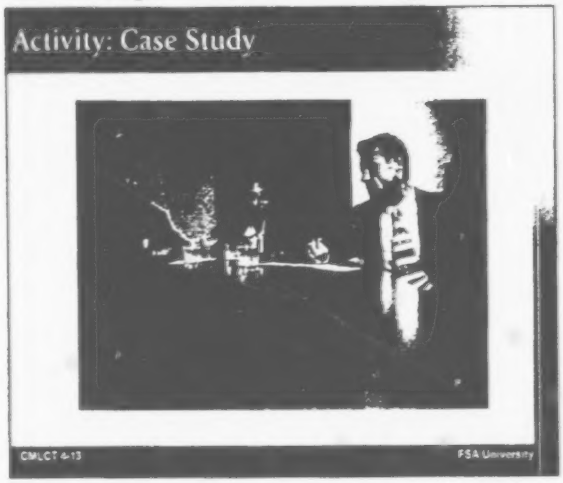
   Balance funds in GAPS, COD, and school's bank account.

Program-Year Close-Out

If you are performing monthly reconciliation, program-year close-out is just another monthly reconciliation. Program-year close-out should occur by July 31 of the next award year for Direct Loans and September 30 for the Federal Pell Grant program for each award year.


Program-Year Close-Out
Program-year close-out should occur by:
❖ July 31 for Direct Loans of the next award year and by
❖ September 30 of each year for Pell Grants.
CMLCY 4-12
FSA University

Activity: Case Study



The Case Studies are designed to allow lively discussion at the tables. We hope both the Business Officers and the Financial Aid professionals will gain a better understanding of how each office is involved in reconciliation.

Pell Grant Case Study

Happy Ending Institute of Massage Therapy

2-year career college, credit hour, 2 semesters

3 campuses, Advance Payment Funding Method

Objectives:

- Establish lines of communication between the school's offices to enhance the reconciliation process;
- Identify differences;
- Act on discrepancies; and
- Reconcile and prepare for year close-out.

Sue Bee is the acting Financial Aid Director at the main campus. She was the coordinator of the federal work-study program for Happy Ending Institute at a branch campus before being made acting director. She has worked in financial aid 2 ½ years. She takes on her new duties toward the end of the 2002-03 academic year (Fall/Spring). Her first assigned

task is to determine the status of the school's Pell Grant account for the 2002-03 at the main campus. Each of the three campuses has a unique Pell ID.

1. What would you do?

For this case, the Financial Aid Office and Business Office are not in agreement with the yearly totals.

2. What could be possible areas that cause discrepancies between school offices?

3. Once discrepancies show up, what should occur?

4. Once the school's offices have reconciled, what COD file could you request to assist in reconciling to ED's totals?

```
GRANT MDR 0350$Y2003002017200305190355080020190O
2003051900000000000000000000000
0220044547HA2003002019002200445 47HA002017                    A 004000020020903
20020903 U 0403751 3118321001                                   00400HAMMEM
LAUREM      A220044547198307197Y0040000$020030020172003051903550820030519
D220044547HA200300201900              A010020000P20020903
$D2003002017200305190355O8
D220044547HA200300201900              A020020000P20030120
$D2003002017200305190355O8
022021102lBE2003002019002202110 21BE002017                    A 004000020020903
20020903 U 0703742 3118321001                                   00400BEAUCHAMP
LAUREM      B2202110211982111 8Y0040000$020030020172003051903550820030519
D22021102lBE200300201900              A010020000P20020173
$D2003002017200305190355O8
D22021102lBE200300201900              A020020000P20030120
$D2003002017200305190355O8
0532869736DR2003002019005328697 36DR002017                    A 006500020020829
20020829 U 0303314 3118321001
00650DRUMMOND'SAVAGE NICOLETTE
M5328697361977031 2M0000000$020030020172003051903550820030519
055361971 0H020030020190055361971 0H0002017                   A 028130020020903
20020903   0300203 3119505001                                   03750H0WELL
RICHARD     D5536197101965070 6M0281300$020030020172003051903550820030519
D5536197 10H0200300201900             A010093800P20020909
$D2003002017200305190355O8
D5536197 10H0200300201900             A020187500P20030120
$D2003002017200305190355O8
```

5. What additional COD report(s)/screen(s) would help with reconciling? Examples are shown below. Please identify each.

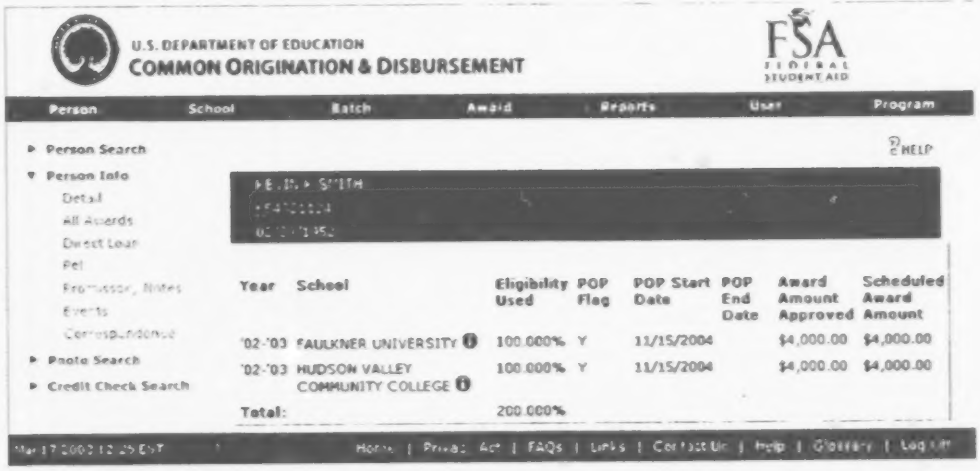
_____

_____

_____

```
GRANT HDR 0450#M20031130219003032004340 8
20030391000000000000000000000000
CE                165281407CH002105UNIVERSITY OF ROCKVILLE - GORGE RIVER
COUNTY                12 HILL CIRCLE                                    BALL
MO032500002ROC L BRINK          530455151741045510 94brink@uroc.edu
039500005390000100018200208124003011700000000          000000010000000CEW
SUSE          1984046984812407
BC                185218307CE002103UNIVERSITY OF BATTS AT COLLEGE ROAD
ADMINISTRATION BUILDING                                COLLEGE HOUSE
NJ207420001SUE D YOU          56131248793013149587SDDYOU@ub.umk.edu
087500001945000100013400208342003022701875002003036 7      050000011000000CEW
SUSE      1984046924818407
GRANT TLR
0450#M200300453600303200434090000020000000000P000002000000000 0P000000
```

Note: *The above report is subject to change due to new COD release.*



Other(s): _____

_____

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6. What could you discover from these?

_____

_____

_____

_____

Other(s): _____

7. What are potential concerns during reconciling Pell Grant with COD?

_____

_____

_____

_____

8. The screen below could assist as you finalize your Pell Grant totals with COD. What screen is it?

9. How does the screen assist you?

Others(s): _____

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10. Now knowing what COD has for the drawdown amount, how could the report below assist you? Name the report.

Payee DUNS/SSN: 555555555
Payee Name: Tony's Beauty Schools
Payee Address: SMITH, INC, CHICAGO, IL 60603

AWARD XXX XXX
(As of February 13, 2002)

No	Award	Recipient Ref.	Authorization	Unprocessed Deobligations	Net Draws	Available Balance
1	P063P011222	01-02 Pell	$5,000,000.00	($5,000.00)	($5,000,000.00)	($5,000.00)
2	P007A006050	00-01 SEOG	$26,693.00	$0.00	($26,693.00)	$0.00

11. As you reconcile with the ED, list four areas from the above case study that would help with future reconciliation.

12. At your school, what is the most re-occurring concern when reconciling the Pell Grant program?

13. Please list the most important benefit that COD/GAPS has provided you during the reconciliation of the Pell Grant program.

Direct Loan Case Study

Happy Land College

4-year college, credit hour

Advance Payment Funding Method

Objectives:

- Identify disbursement discrepancies between Business Office and FA Office;
- Identify disbursement discrepancies between the school (Financial Aid Office and Business Office) and COD;
- Resolve: report +/- disbursements; and
- Monthly reconciliation of the DL account and year-end close-out.

After making sure that there are no transmission errors, unacknowledged records, and all rejects have been corrected, Happy Land College needs to reconcile DL for the academic year 2002-03.

1. What college tools would identify discrepancies between Business Office and Financial Aid Office?

_____

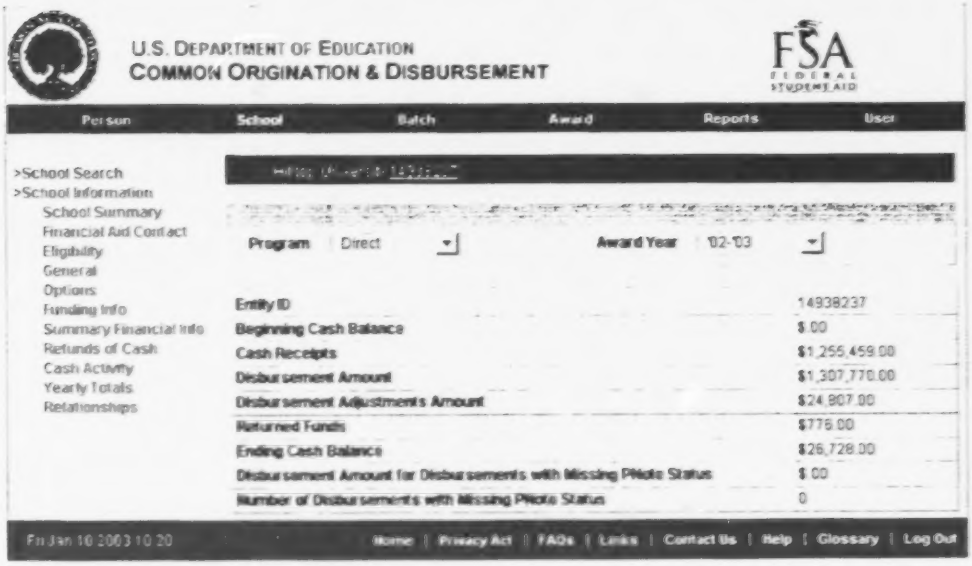
_____

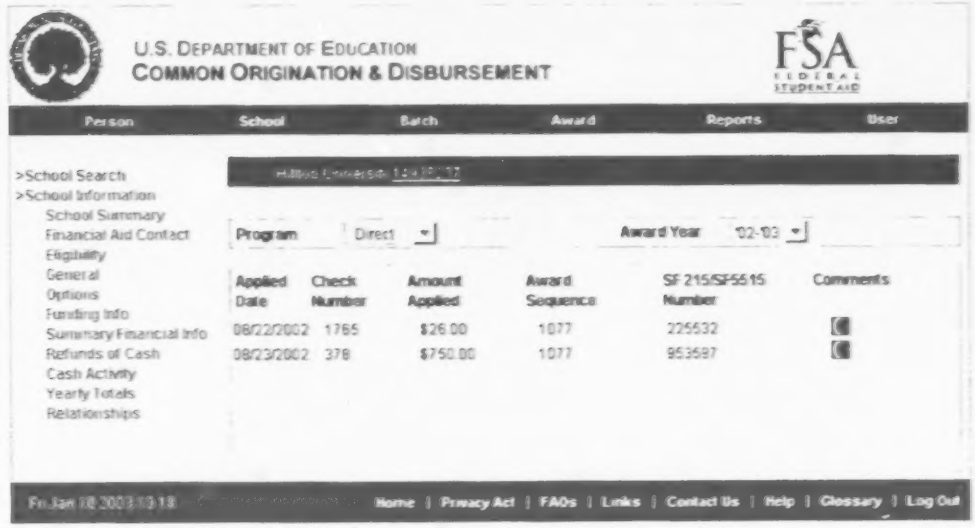
_____

_____

Once these are identified and resolved, assume now that the two offices are in agreement. You now look at ED tools such as COD to reconcile with school records.

2. Name the screen(s) listed below. What items on the screen(s) help you identify differences between the school's data and COD data?





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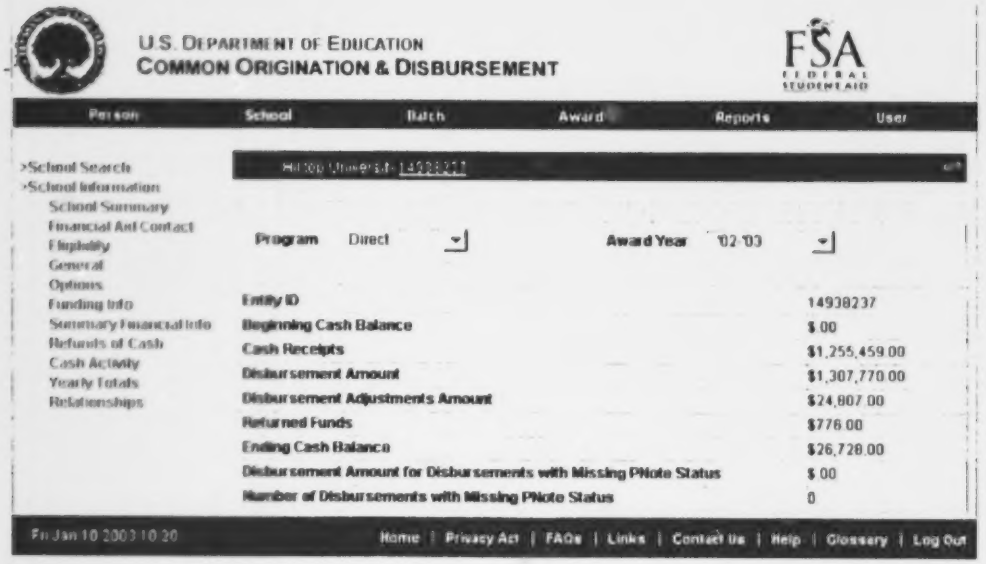

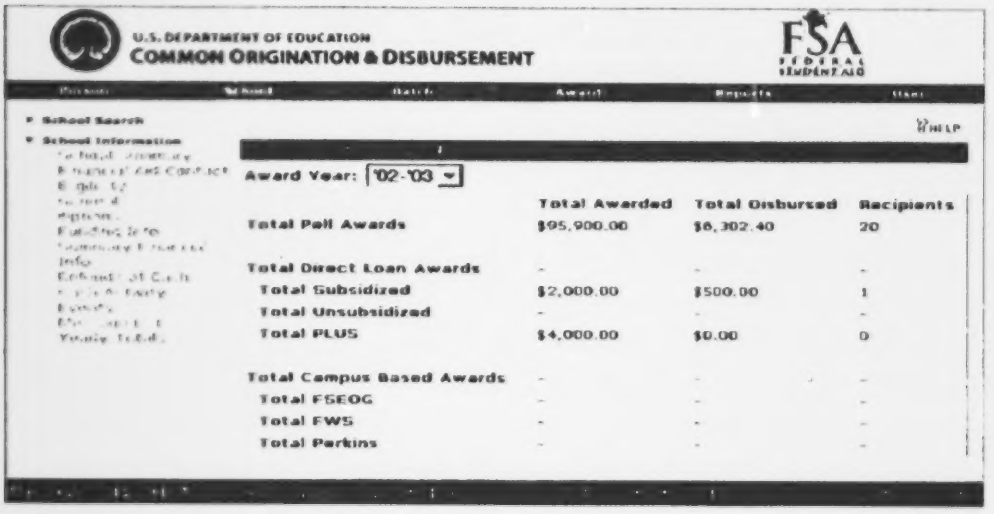

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3. Below is a sample of screen shots for ED tools that can assist you in monthly reconciliation. Please name each. How could these help you identify that differences exist between school and ED?

REPORT ID:
RUN DATE: 05/08/2003

U.S. DEPARTMENT OF EDUCATION
FEDERAL DIRECT LOAN PROGRAM

PAGE 1 OF 2
RUN TIME: 12:11AM

AWARD YEAR: 2002-03
FOR THE PERIOD ENDING 4/30/03 12:00AM

SCHOOL NAME: ROCKVILLE UNIVERSITY
SCHOOL CODE: G03072

ADDRESS: 1101 CAMDEN AVENUE
ROCKVILLE, MD 28052-6862

Loans Pending Booking Section

LOAN TYPE	LOAN ID	BORR NAME	DATA NEEDED: DATE RCVD	LOAN	PROM	DISB
P	142868100P03G03072101	MACKO, ELIAS	08/27/2002		Y	N
P	148825705P03G03072101	SAMPSON, DAVID	08/27/2002		Y	N
P	216155575P03G03072101	FIGUEROA, WILLARD	08/27/2002		Y	Y
TOTAL NUMBER PLUS		6				
S	213176211S03G03072101	BYROADE, DREW	03/13/2003	OK	N	Y
S	213199057S03G03072101	MACBIRDIE, JENNIFER	12/05/2002	OK	Y	Y
S	216908642S03G03072401	DUNAWAY, JACK	01/14/2003	OK	Y	N
TOTAL NUMBER SUBSIDIZED		6				
U	152760394U03G03072101	BENSON, BRANDON	05/01/2003	OK	Y	Y
U	212190126U03G03072101	RAMSEY, MARK	12/05/2002	OK	Y	Y

*See **Appendix C**, pages **C-20** and **C-21**, for a copy of the complete report.*

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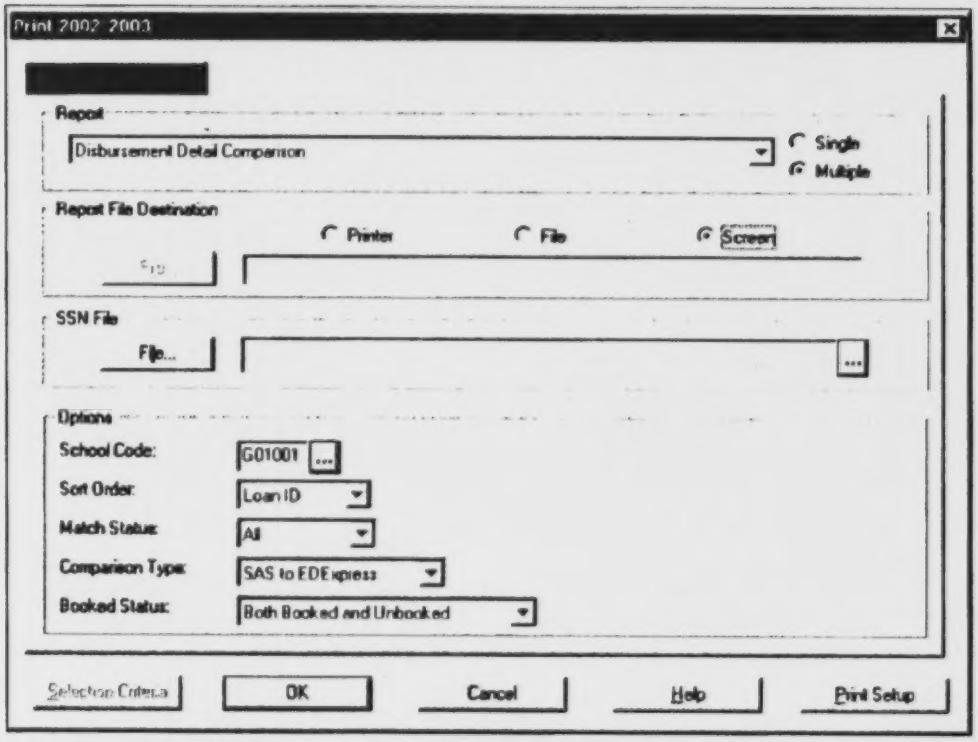

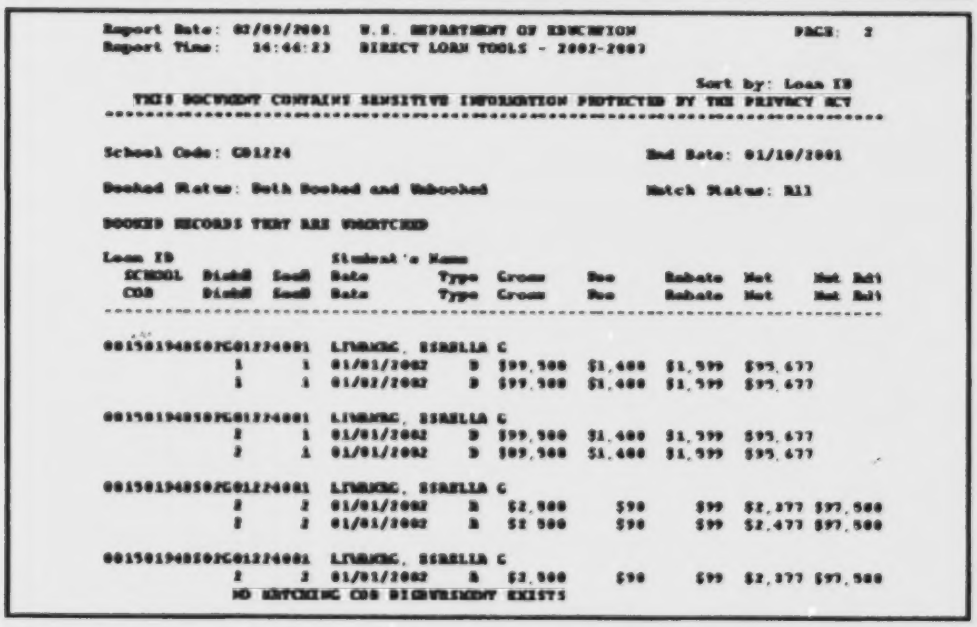

```
Report Date: 02/09/2001   U.S. DEPARTMENT OF EDUCATION                PAGE:  2
Report Time:   16:44:23   DIRECT LOAN TOOLS - 2002-2003

                                                          Sort by: Loan ID
   THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
-------------------------------------------------------------------------------

School Code: G01224                                   End Date: 01/10/2001

Booked Status: Both Booked and Unbooked               Match Status: All

BOOKED RECORDS THAT ARE UNMATCHED

Loan ID                    Student's Name
  SCHOOL  Disbdt  Seqdt  Date       Type  Gross     Fee      Rebate   Net     Net Adj
  COD     Disbdt  Seqdt  Date       Type  Gross     Fee      Rebate   Net     Net Adj
-------------------------------------------------------------------------------

0015019485O9PG01224001  LIVRONG, ESRELLA G
                1     1  01/01/2002    B  $99,500  $1,400  $1,599  $95,677
                1     1  01/02/2002    B  $99,500  $1,400  $1,599  $95,677

0015019485O9PG01224001  LIVRONG, ESRELLA G
                2     1  01/01/2002    B  $99,500  $1,400  $1,599  $95,677
                2     1  01/01/2002    B  $99,500  $1,400  $1,599  $95,677

0015019485O9PG01224001  LIVRONG, ESRELLA G
                2     2  01/01/2002    B   $2,500     $90     $99  $2,377 $97,500
                2     2  01/01/2002    B   $2,500     $90     $99  $2,477 $97,500

0015019485O9PG01224001  LIVRONG, ESRELLA G
                2     3  01/01/2002    B   $3,500     $90     $99  $2,377 $97,500
              NO MATCHING COD DISBURSEMENT EXISTS
```

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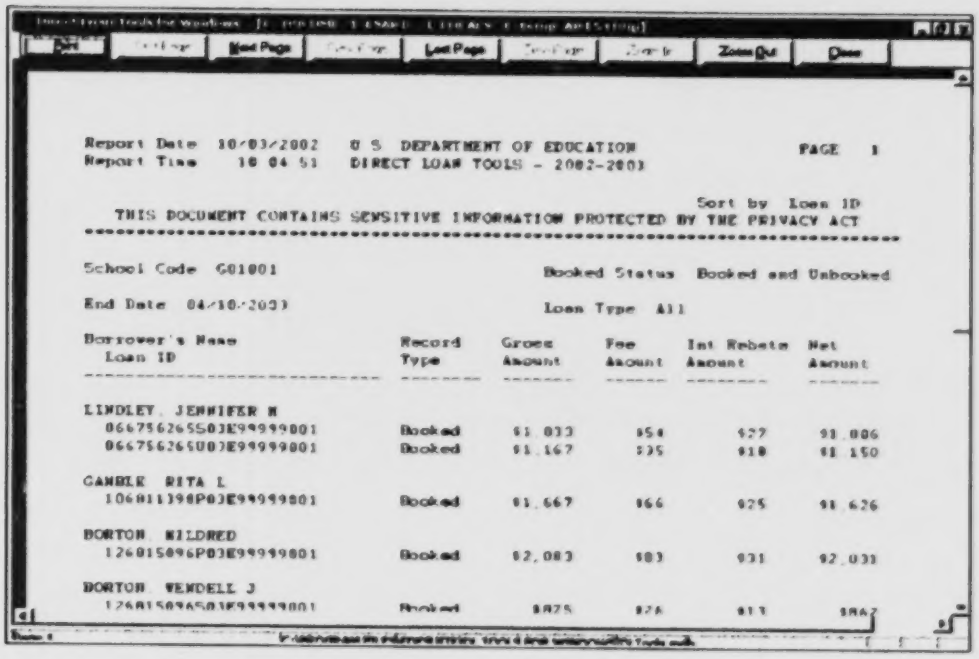

Report Date 10/03/2002 U S DEPARTMENT OF EDUCATION PAGE 1
Report Time 10 04 51 DIRECT LOAN TOOLS - 2002-2003

Sort by Loan ID
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

School Code G01001 Booked Status Booked and Unbooked
End Date 04/10/2003 Loan Type All

Borrower's Name / Loan ID	Record Type	Gross Amount	Fee Amount	Int Rebate Amount	Net Amount
LINDLEY JENNIFER M					
066756265S03E99999001	Booked	$1,033	$54	$27	$1,006
066756265U03E99999001	Booked	$1,167	$35	$18	$1,150
GAMBLE RITA L					
106811398P03E99999001	Booked	$1,667	$66	$25	$1,626
BORTON MILDRED					
126815096P03E99999001	Booked	$2,083	$83	$31	$2,033
BORTON WENDELL J					
126815096S03E99999001	Booked	$875	$26	$13	$862

4. What other ED screen(s)/report(s) would assist you? Explain how.

The assumption is that after identifying the problem(s), they are resolved and reconciliation/year-end close-out is accomplished.

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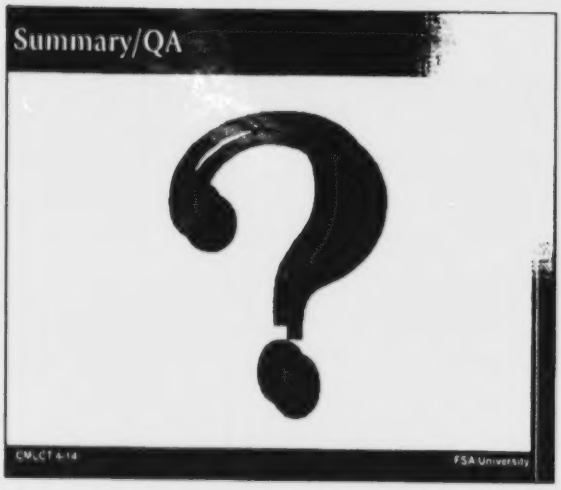
5. At your school, is there a re-occurring concern when reconciling DL? If yes, what is it and how has the school addressed it?

6. What is the most important factor that COD provides you during the reconciliation of DL?

Summary/QA



In this module, we:

- Discussed internal reconciliation between the Financial Aid Office and the Business Office;
- Discussed external reconciliation between the school and ED;
- Demonstrated reasons for discrepancies during reconciliation; and
- Discussed some best practices for reconciliation.

Next, we will discuss the FSA Assessment Tool and how it further enhances best practices for your school as well as other benefits.

Module 5: Assessing Your Cash Management Procedures

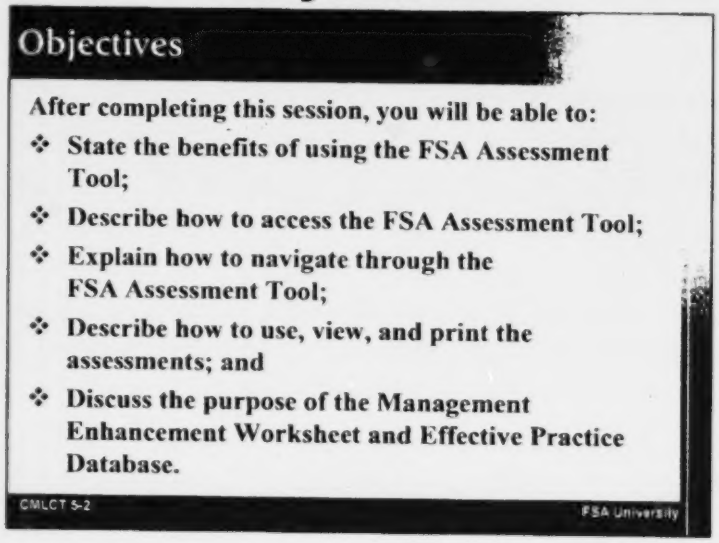
Resources

- FSA Assessments, http://fsa4schools.ed.gov,
- 34 CFR Subpart K, 668.161-668.167: General Provisions (Cash Management Regulations, November 1, 2002), and
- *Federal Student Aid Handbook* 2002-03, Volume 2, Chapter 5 (Discussion of Cash Management Regulations).

Did You Know?

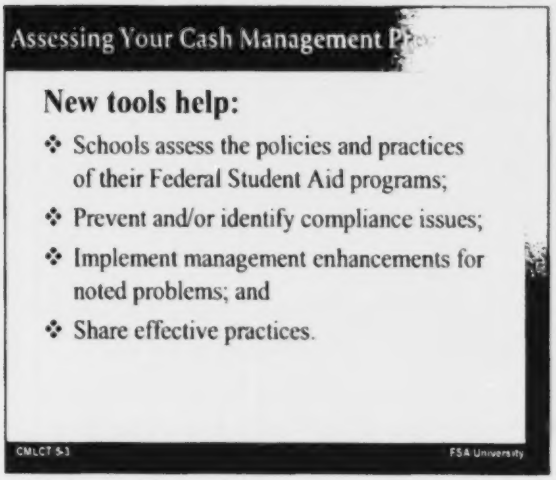
At http://fsa4schools.ed.gov, you can learn how the FSA Assessment Tool assists schools in other areas such as student eligibility, school eligibility, and meeting campus needs.

Objectives


Objectives
After completing this session, you will be able to:
❖ State the benefits of using the FSA Assessment Tool;
❖ Describe how to access the FSA Assessment Tool;
❖ Explain how to navigate through the FSA Assessment Tool;
❖ Describe how to use, view, and print the assessments; and
❖ Discuss the purpose of the Management Enhancement Worksheet and Effective Practice Database.
CMLCT 5-2
FSA University

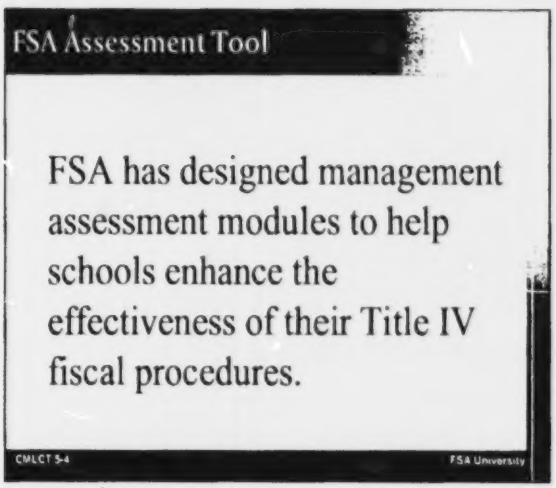
Tools for Schools

FSA has developed a new assessment tool to help schools assess the policies and practices of their Federal Student Aid programs. The tool for schools is the FSA Assessments.


Assessing Your Cash Management P
New tools help:
❖ Schools assess the policies and practices of their Federal Student Aid programs;
❖ Prevent and/or identify compliance issues;
❖ Implement management enhancements for noted problems; and
❖ Share effective practices.
CMLCT 5-3
FSA University

FSA Assessment Tool

The Cash Management section helps schools enhance the effectiveness of their Title IV fiscal procedures.


FSA Assessment Tool
FSA has designed management assessment modules to help schools enhance the effectiveness of their Title IV fiscal procedures.
CMLCT 5-4
FSA University

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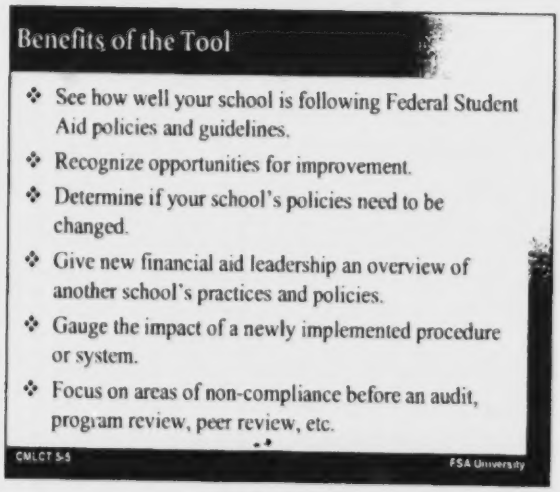
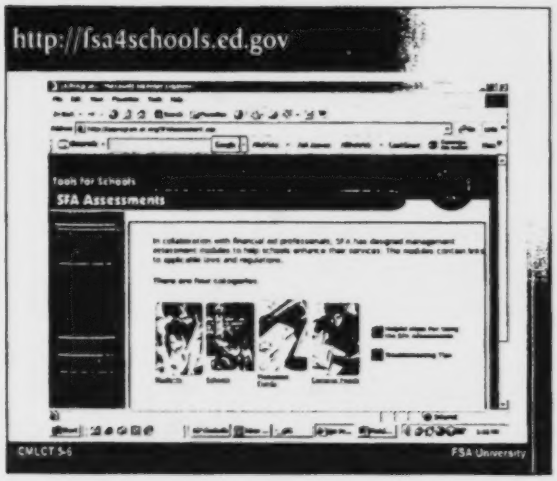
Features and Benefits of Using the FSA Assessment Tool

Feature	Benefit
As you complete an assessment module...	You can see how well your school is following Federal Student Aid policies and guidelines.
As you review the responses...	You recognize opportunities for improvement.
As you compare policies to the responses...	You determine if your school's policies need to be changed.
As you submit an effective practice...	Financial aid leadership gains an overview of another school's best practices.
As you formulate improvements...	You gauge the impact of a newly implemented procedure or system.
As you discover areas that need attention...	You focus on areas of non-compliance before they are identified through an audit, program review, or peer review.


Benefits of the Tool
See how well your school is following Federal Student Aid policies and guidelines.
Recognize opportunities for improvement.
Determine if your school's policies need to be changed.
Give new financial aid leadership an overview of another school's practices and policies.
Gauge the impact of a newly implemented procedure or system.
Focus on areas of non-compliance before an audit, program review, peer review, etc.
CMLCT 5-5
FSA University

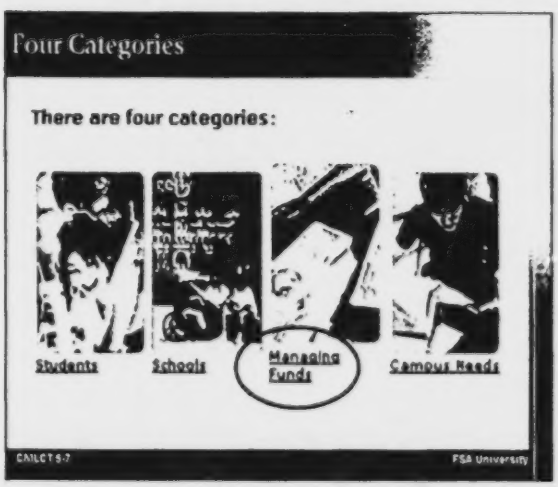
Accessing the FSA Assessment Tool

Access the FSA Assessments at: http://fsa4schools.ed.gov.



Navigating Through the FSA Assessments

On the FSA Assessments opening page, there are four topics or categories that FSA has designed to help schools evaluate their services and provide activities and exercises to assist in their assessment efforts.



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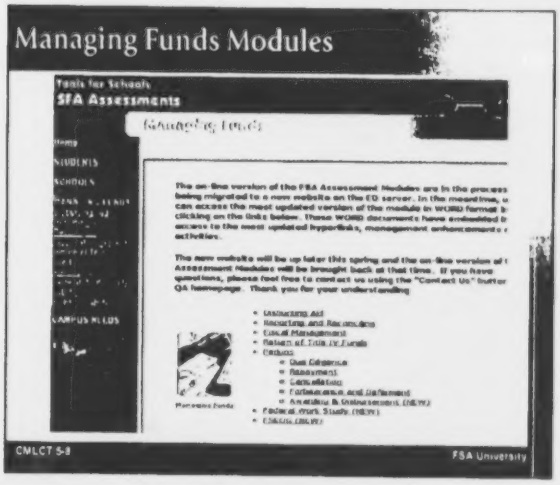
The Managing Funds category discusses cash management.

Clicking **Managing Funds** will bring up a list of 11 modules. Each module in the Managing Funds category asks the user to answer questions about Title IV practices at their institution.



The modules under the Managing Funds category are:

- Disbursing Aid,
- Reporting and Reconciling,
- Fiscal Management,
- Return of Title IV Funds,
- Perkins/Due Diligence,
- Perkins/Repayment,
- Perkins/Cancellation,
- Perkins/Forbearance and Deferment,
- Perkins/Awarding and Disbursement (NEW),
- Federal Work-Study (NEW), and
- FSEOG (NEW).

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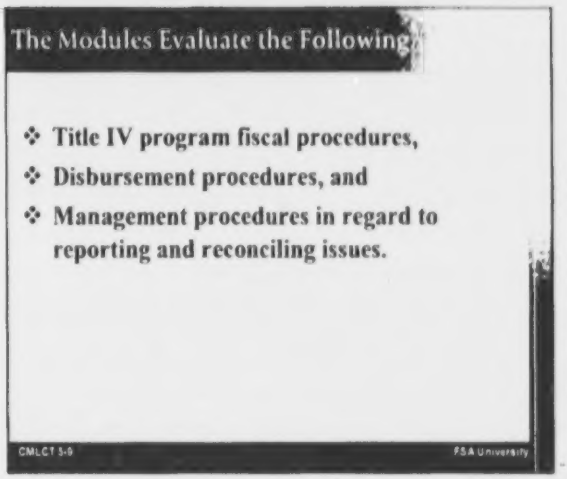
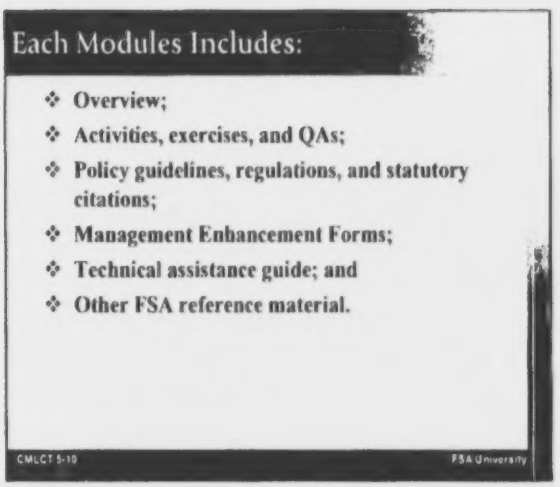
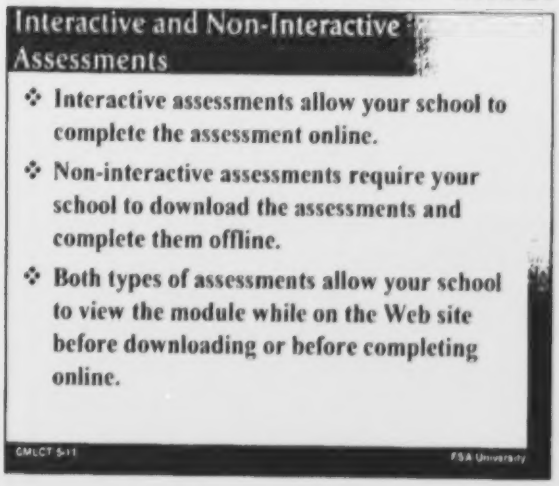

The Modules Evaluate the Following:
❖ Title IV program fiscal procedures,
❖ Disbursement procedures, and
❖ Management procedures in regard to reporting and reconciling issues.
CMLCT 5-9
FSA University


Each Modules Includes:
❖ Overview;
❖ Activities, exercises, and QAs;
❖ Policy guidelines, regulations, and statutory citations;
❖ Management Enhancement Forms;
❖ Technical assistance guide; and
❖ Other FSA reference material.
CMLCT 5-10
FSA University

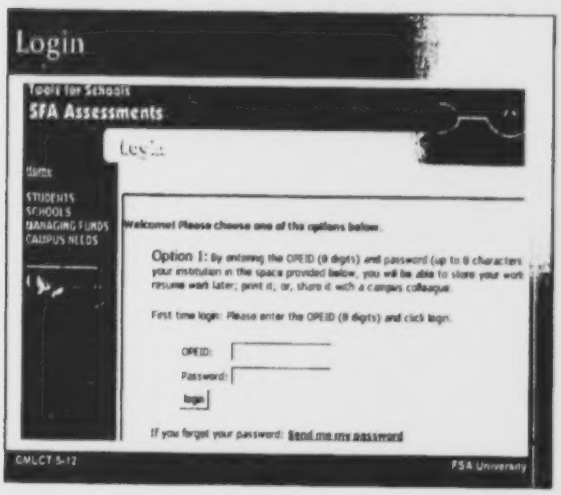
Interactive and Non-Interactive Assessments


Interactive and Non-Interactive Assessments
Interactive assessments allow your school to complete the assessment online.
Non-interactive assessments require your school to download the assessments and complete them offline.
Both types of assessments allow your school to view the module while on the Web site before downloading or before completing online.
CMLCT 5-11
FSA University

How to Use the Tool: Login, Viewing, and Printing

For Non-Interactive Modules
To use a non-interactive module, download an MS Word document for the assessment and complete it offline.

For Interactive Modules
To use the interactive modules, you must first log in, complete the assessment online, and then save the assessment. A user name and password will be required. Your user name will be your OPE ID. You may create your own password. You will also be asked to register and provide your e-mail address.



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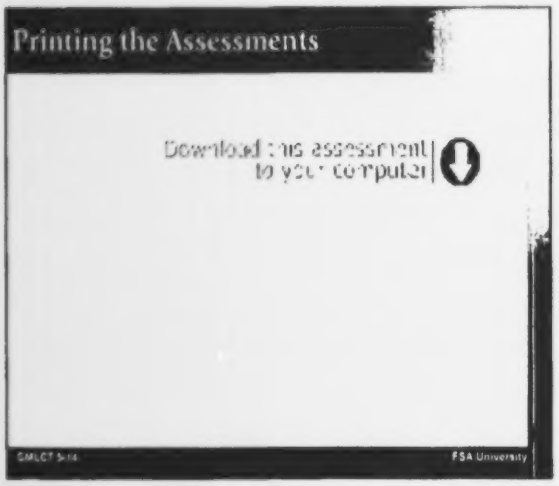
Using Tour Mode for Viewing Interactive Assessments

Instead of logging in, you have another option. You can view the interactive assessments in the "tour mode" without having to enter a password.

Tour Mode
Option 2: You also can take a tour without saving your work. If you want to switch to the login mode after choosing Tour Only, you must first close the browser and re-enter the site.
Tour Only
FSA University

Printing the Assessments

All assessments have printable Word documents.



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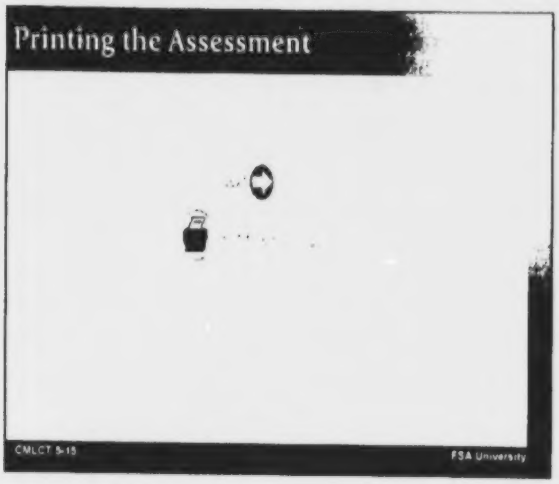
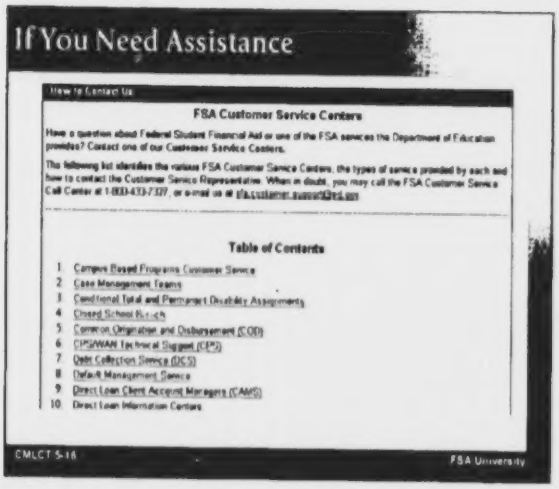


If You Need Assistance

If you need technical assistance, call 1-800-433-7327 or e-mail (fsa.customer.service@ed.gov) one of the FSA customer service centers.


If You Need Assistance
How to Contact Us
FSA Customer Service Centers
Table of Contents
1. Campus Based Programs Customer Service
2. Case Management Teams
3. Conditional Total and Permanent Disability Assessments
4. Closed School Branch
5. Common Origination and Disbursement (COD)
6. CPS/WAN Technical Support (CPS)
7. Debt Collection Service (DCS)
8. Default Management Service
9. Direct Loan Client Account Managers (CAMS)
10. Direct Loan Information Centers
CMLCT 5-16
FSA University

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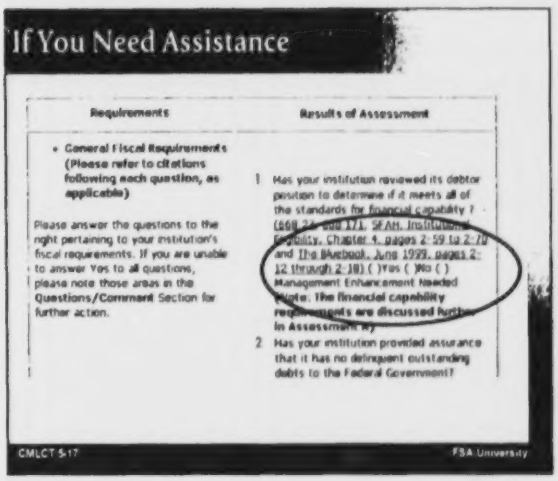
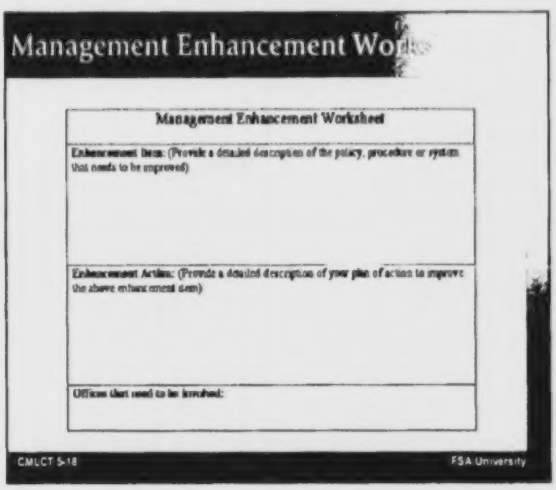
Once you enter a module, your school will be asked to answer a series of questions that will help evaluate the procedures your school uses to meet each requirement.


If You Need Assistance
Requirements
Results of Assessment
• General Fiscal Requirements (Please refer to citations following each question, as applicable)
Please answer the questions to the right pertaining to your institution's fiscal requirements. If you are unable to answer Yes to all questions, please note those areas in the Questions/Comment Section for further action.
1 Has your institution reviewed its debtor position to determine if it meets all of the standards for financial capability ? (668.15 and 668.171, SFAH, Institutional Eligibility, Chapter 4, pages 2-59 to 2-70 and The Blackbook, June 1999, pages 2-12 through 2-18) ( )Yes ( )No ( ) Management Enhancement Needed
Note: The financial capability requirements are discussed further in Assessment #7
2 Has your institution provided assurance that it has no delinquent outstanding debts to the Federal Government?
CMLCT 5-17
FSA University

Purpose of the Management Enhancement Worksheet and Effective Practice Database

Once you enter a module, your school will be asked to answer a series of questions that will help to evaluate the procedures related to each requirement practiced at your school.

The school may note any policies and procedures that are in need of improvement, and take steps to update those procedures. You may also want to complete a **Management Enhancement Worksheet** for each improvement noted. Refer to **Appendix E**, page **E-6**.


Management Enhancement Worksheet
Management Enhancement Worksheet
Enhancement Item: (Provide a detailed description of the policy, procedure or system that needs to be improved)
Enhancement Action: (Provide a detailed description of your plan of action to improve the above enhancement item)
Offices that need to be involved:
CMLCT 5-18
FSA University

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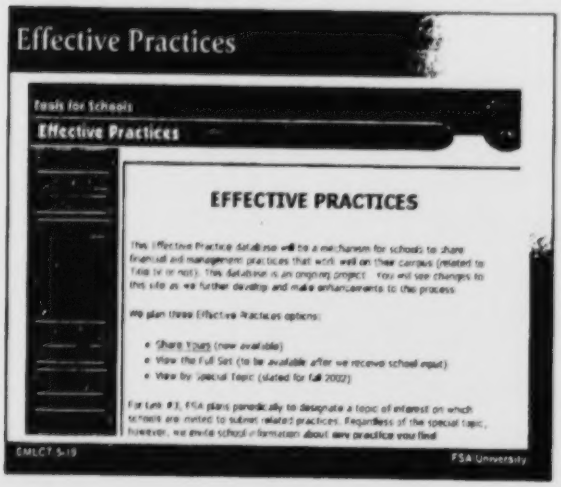
Assessing Your Cash Management Procedures

The purpose of the Management Enhancement Worksheet is to develop a plan of action to correct noted problems revealed by the FSA Assessments. You may also share your school's best practices.

You may share an Effective Practice by going to http://qaprogram.air.org/AppendixD.asp.



Your answer to the following question determines whether you should use the Effective Practices Form or the Management Enhancement Worksheet.

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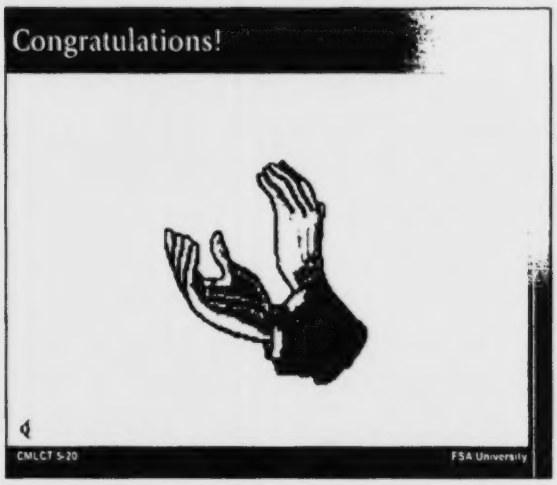
Does your institution have a system to verify it meets ALL fiscal requirements?	
If...	**Then**
Yes	Have you noted any practices that you would like to identify as effective practices? If so, complete an Effective Practice Form for each effective practice noted.
No	For each financial responsibility and cash management criterion that you have noted as needing improvement in your institutional policies and procedures, please remember to complete a Management Enhancement Worksheet.

Congratulations. You have completed the workshop. Please take the time to complete the Post Self-Assessment on the following pages and then evaluate the workshop.



Post Self-Assessment

Congratulations! You have finished the course.
Please take a few minutes to complete the following questions. The purpose of this post self-assessment is to test the effectiveness of the course materials.

1. When the COD system notifies a school of potential Pell Grant overaward, what is this process called? _____

2. When schools submit an electronic origination record through the COD system, the school's review and reconciliation of the _____ file is the foundation of a successful reconciliation plan.

3. In the COD system, if a Pell Grant origination record is rejected, the school then must submit a disbursement record.

   ☐ True
   ☐ False

4. The Multiple Reporting Record (MRR) may be automatically generated by the COD system or requested by the school.

   ☐ True
   ☐ False

5. One purpose of the FSA Assessment Tool is for schools to be able to share effective practices. List two more purposes: _____
   _____

6. Which category of the FSA Assessment Tool relates to Cash Management?

   ☐ Students
   ☐ Schools
   ☐ Managing Funds
   ☐ Campus Needs

7. Which type of assessment within the FSA Assessment Tools do you have to download and complete offline?

   ☐ interactive
   ☐ non-interactive

8. When using the FSA Assessment Tool, which worksheet can a school use to note any policies and/or procedures that need improvement?

_____

9. A classic reconciliation error can occur when a disbursement record is corrected or rejected by the COD system.

☐ True
☐ False

10. Schools do not use GAPS when they reconcile Title IV funds; however, they do use the COD system.

☐ True
☐ False

11. The GAPS system does not allow schools "view-only" access to screens.

☐ True
☐ False

12. What is created when a fully disbursed Pell Grant award is subsequently reduced by an ED Program Office?

_____

13. DL Tools has no cash management functionality.

☐ True
☐ False

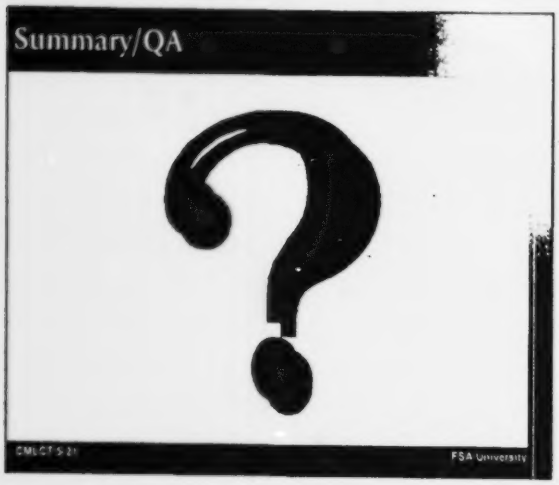
14. The Year-to-Date record can be used to replace a corrupt database or to reconcile records with accepted data on the COD system.

☐ True
☐ False

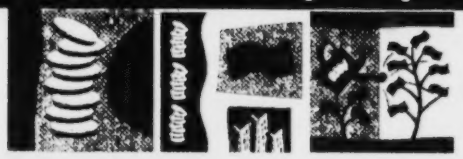
15. GAPS is used to view a school's DL/Pell Grant yearly totals or cash activity.

☐ True
☐ False

Summary/QA



Module 6: Class Wrap-Up



You've completed the Cash Management Life Cycle Training!

Did You Know?

ED's mission in developing the QA Tools, including FSA Assessments, is to help schools attain, sustain, and advance exceptional student aid delivery and service excellence.

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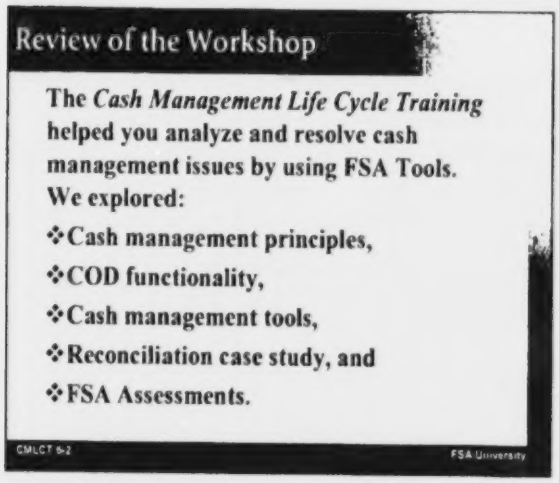
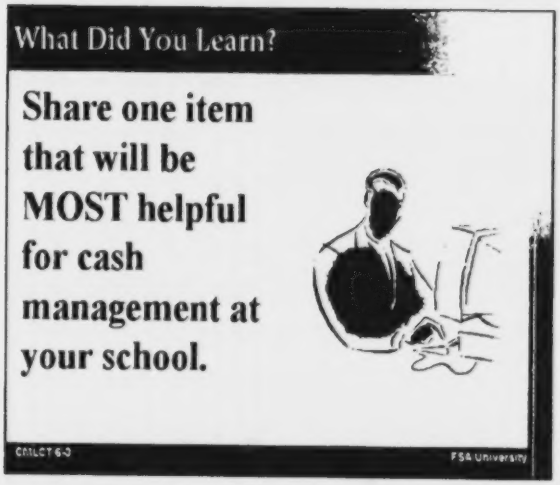
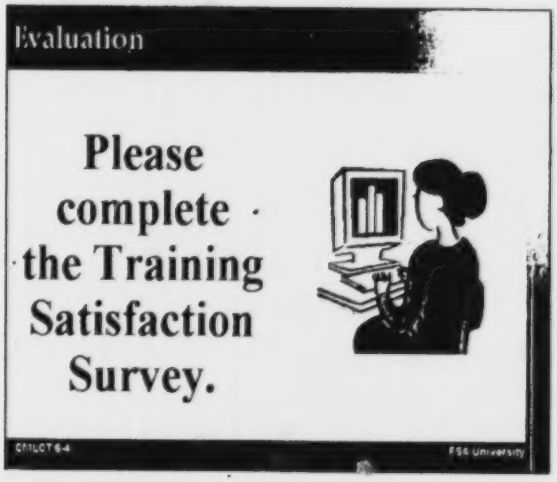
Review of the Workshop

The *Cash Management Life Cycle Training* goal was to offer tools and techniques to help you succeed in resolving cash management issues. In support of this goal, we explored:


Review of the Workshop
The Cash Management Life Cycle Training helped you analyze and resolve cash management issues by using FSA Tools. We explored:
❖Cash management principles,
❖COD functionality,
❖Cash management tools,
❖Reconciliation case study, and
❖FSA Assessments.
CMLCT 6-2
FSA University



Evaluation



Thank you for attending the Cash Management Life Cycle Training.

Form approved
OMB #1880-1529
Exp. date 11/30/2003

FEDERAL STUDENT AID

Training Satisfaction Survey

Thank you for taking a moment to answer the following questions. We will use this to evaluate and improve our training and materials. Any information you provide is confidential.

Course _____ Date _____

Location _____

Trainer name(s) _____

Your type of institution: ☐ Public ☐ Private ☐ Proprietary
☐ Undergraduate/Graduate ☐ Clock Hour/Credit Hour

Length of time in financial aid related responsibilities: (years/months) _____

Please complete the following statements using the scale below:

1	=	**Unacceptable**
2	=	**Poor/less than acceptable**
3	=	**Moderate/Acceptable**
4	=	**Good/More than acceptable**
5	=	**Outstanding/Much more than acceptable**
N/A	=	**Not applicable/Unknown/No Comment**

GENERAL

1. How well did this training meet your needs for improving your student aid operations?
☐1 ☐2 ☐3 ☐4 ☐5 ☐N/A

2. How well did this training meet the overall objectives stated at the beginning of the course?
☐1 ☐2 ☐3 ☐4 ☐5 ☐N/A

3. How well did the training announcement describe this training?
☐1 ☐2 ☐3 ☐4 ☐5 ☐N/A

TRAINING MATERIALS

4. How helpful were the case studies, charts, and other graphic illustrations?
☐1 ☐2 ☐3 ☐4 ☐5 ☐N/A

5. Our goal is to provide accurate, clear, and organized materials. How do you rate our materials?
☐1 ☐2 ☐3 ☐4 ☐5 ☐N/A

PRESENTATION

6. Please rate the presentation and/or slide show for clarity and accuracy.
☐1 ☐2 ☐3 ☐4 ☐5 ☐N/A

7. Was enough time devoted to trainee questions and exercises?
☐Yes ☐No

8. What suggestions do you have to improve the trainers' presentation?

TRAINING LOGISTICS AND MISCELLANEOUS

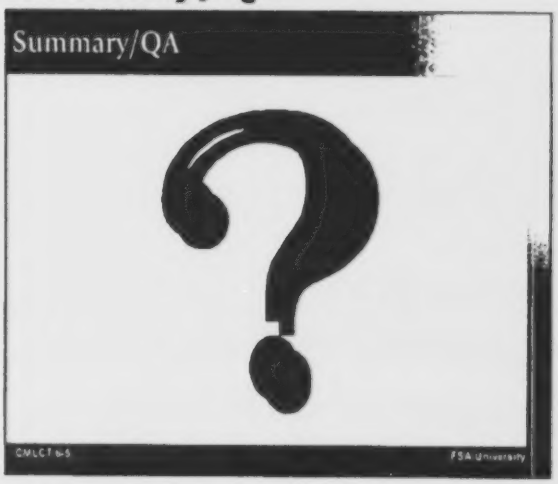
9. What additional training would you like us to provide?

10. What comments do you have about the workshop's location and training room?

ADDITIONAL COMMENTS AND SUGGESTIONS

You can now provide your comments on this or any other training session on our Training Information page at http://www.ed.gov/offices/OSFAP/sfau/ or by sending us an e-mail at osfaknowledge.management@ed.gov.

Summary/QA



APPENDIX INDEX

This index contains ten appendices. The documents contained in each of these appendices are listed below:

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Process of Becoming a Full Participant	B
How to Gain Access to the COD Web Site	B
COD Web Site Access for Schools Announcement 3/18/03	B
DLB 99-74	B
Using Your COD Routing ID in 2003-04 EDExpress Pell & DL Setup	B
Important Information for End of 2001-02 Year Processing for Pell	B
COD Processing Update/Direct Loan 5/20/03	B
COD Processing Update/DL and Pell Grant 5/27/03	B
Announcement from FSA and NCHELP	B
Reports	C
Direct Loan School Account Statement (SAS):	C
Year-To-Date Cash Summary	C
Year-To-Date Disbursement Summary	C
Monthly Cash Summary	C
Monthly Disbursement Summary	C
Cash Detail	C
Loan Detail	C
Pending Disbursement Listing Report	C
Funded Disbursement Listing Report	C
30-Day Warning Report	C
Inactive Loans Report	C
Duplicate Student Borrower Report	C
SSN/Name/Date of Birth Change Report	C
Disbursement Activity Not Yet Booked at Servicing Report	C
Entrance Counseling Results Report	C
Electronic Statement of Account (ESOA)	C
Multiple Reporting Record (MRR)	C
Reconciliation File	C
30-Day Warning Report for Case Study	C
Pell Year-To-Date	C
Direct Loan Best Practices Handout	D

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FSA Assessment Tools	E
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Management Enhancement Worksheet	E
QA for Pre-Assessment, Game, Knowledge Check, and Post	F
Cash Management Life Cycle Training Pre-Assessment Q&A	F
CMT Trivial Pursuit Game Questions and Answers	F
Knowledge Check Questions	F
Module 2	F
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Module 3 (Questions from page 42 of the Participant's Guide)	F
Cash Management Tic Tac Toe	F
Post Self-Assessment	F
Cash Management Regulations	G
Reconciliation of Cash Worksheet	H
Key Resources	I
Web Sites	I
Publications	I
Software Download	I
Training Materials	I
Most Common Program Review Deficiency Codes	J

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APPENDIX A
GLOSSARY

Glossary

Actual Disbursement Record — A Common Record submitted to the COD System in order to request or substantiate funding.

Advance Payment — A funding method option by which schools request cash through GAPS for actual disbursements to students/borrowers. In addition, schools may only draw down cash up to the difference between the school's Current Funding Level (CFL) and the amount of funds previously sent to the school for a given award year and program. The U.S. Treasury transmits funds to the school's federal bank account.

Attended School Entity Identifier — The location where the student will be attending classes for which Federal Financial Aid funds are being used.

Available Balance — Difference between the school's Current Funding Level (CFL) and the amount the school has drawn down. The available balance is the amount a school can request at any point prior to substantiating more draws. Pertains to schools using the Advance Pay funding method.

Call for Cash — Requirement that a school return unsubstantiated funds previously drawn down. Pertains to schools using the Advance Payment funding method.

Central Processing System (CPS) — This is the ED system that processes information from the Free Application for Federal Student Aid (FAFSA), calculates the Expected Family Contribution (EFC) for each applicant, prints the Student Aid Report (SAR), and transmits ISIR data electronically.

Common Origination and Disbursement (COD) — The COD Process is a common process integrated with a system designed to support origination, disbursement, and reporting. The COD system is a technical solution designed to accommodate the COD process for Pell Grant and Direct Loan funding.

Common Record — The Common Record is a data transport mechanism exchanged by trading partners participating in Student Financial Assistance. The Common Record is a document formatted in Extensible Markup Language (XML).

Common School Identifier (CSID)

An 8-digit identifier assigned to schools and third party servicers that is common across the Pell Grant and Direct Loan programs beginning in the 2002-2003 award year.

CPS Transaction Number

Transaction number from an eligible SAR.

Current Funding Level (CFL)

The Current Funding Level (CFL) is the level at which funds are made available to cover a school's disbursement needs. This is similar to the authorization or obligation level in the 2001-02 process for Pell Grants and the Cash Control Amount for Direct Loans. The CFL increases throughout the year as schools submit and COD accepts actual (*not anticipated*) disbursement records, which substantiate funds that have been drawn.

Disbursement

A document containing disbursement data with the Payment Trigger flag set to "true." The Payment Trigger is a field on the Common Record that signals the COD System to post the disbursement to a specific award (loan or grant). It either releases funds available to a school via drawdown or FedWire/ACH, or substantiates money already made available to the school. For Phase-in Participants, this is the actual disbursement.

Edit Only Records

Edit Only Records are records sent as edits only, and are not intended to request or report funds.

Entity Identifier (ID)

On the Common Record, the unique Common School Identifier for each data exchange partner (e.g., school, third party servicer, vendor, etc.). When performing entity searches via the COD Web site, the Entity ID is a school's Common School Identifier, Pell ID, Direct Loan ID, or OPEID.

Expected Family Contribution

The amount that a family is expected to pay toward meeting the costs of postsecondary attendance (both students and parents of dependent students are expected to make contributions). This amount is determined through analysis of need (i.e., the Congressional Methodology) and is based on taxable and nontaxable income and assets as well as family size, the number of family members attending postsecondary institutions, extraordinary medical expenses, and so forth. For dependent students, the EFC consists of both a parental contribution and a separately calculated student contribution. The minimum student contribution in

	1998-1989 was $700 for freshmen and $900 for other undergraduates.
Freeze Cash	Period during which a school is temporarily prevented from drawing down funds until unsubstantiated funds previously drawn down are substantiated by submitting actual disbursements. Pertains to schools using the Advance Payment funding method.
Full Participant	Full Participants are schools that will be submitting the Common Record in the new XML format for origination and disbursement of the Pell Grant and Direct Loan processes instead of the multiple layouts in fixed file formats.
Institutional Student Information Record (ISIR)	This is the electronic version of the Student Aid Report (SAR) that indicates eligibility for the Federal Pell Grant Program. The ISIR contains the family's financial aid and other information reported on the Free Application for Federal Student Aid (FAFSA), as well as key processing results and National Student Loan Data Systems (NSLDS) Financial Aid history information. It is transmitted electronically to postsecondary schools and state educational agencies.
Multiple Reporting Record (MRR)	Identifies originations and/or disbursements being reported by more than one school for the same student. Designed to provide schools with information to identify and resolve potential overaward payments and concurrent enrollments before they occur.
National Student Loan Data System (NSLDS)	As a Title IV automated system, the National Student Loan Data System, or NSLDS, is a national database of information about loans and other financial aid awarded to students under Title IV of the Higher Education Act of 1965. This system prescreens applications for Title IV aid, supports program administrative research functions, and improves Title IV aid delivery through automation and standardization.
Office of Postsecondary Education (OPE) ID	An eight-digit identification number assigned by the Office of Postsecondary Education to an institution that has been approved to participate in Federal Student Aid programs. Schools that don't administer Title IV funds but want their students to qualify for in-school deferments also are assigned an OPE ID number. Additional locations of a school are designated with the eight-digit OPE ID plus "01" or "02," etc.

Payment Trigger Flag

Field on the Common Record that designates data as an actual disbursement (Flag = true). Signals the COD System to post the amount of disbursement to an award (loan or grant).

Postsecondary Education Participants System (PEPS)

The Federal Student Aid (FSA) management information system for all organizations that have a role in administering Federal Student Aid and other Higher Education Act programs. Maintains eligibility, certification, demographic, financial, review, audit, and default rate data about schools, and lenders and guarantors participating in the Title IV programs.

Potential Overaward Project (POP)

Federal Pell Grant recipients are allowed to receive a maximum of one full Scheduled Pell Grant (SPG) during an award year. The COD System is programmed to calculate the percentage of SPG used each time a school reports a recipient's award. Any amount exceeding 100 percent of a full SPG represents an overaward and is disallowed.

Program Specific

In the context of the edits, some edits performed in the COD System are program specific. They apply only to Direct Loans, such as loan limits, or only to Pell Grants.

Pushed Cash

A funding method option whereby, based on accepted actual disbursements submitted by the school, funds are automatically sent to the school's bank account via ACH or FedWire without requiring a drawdown request from the institution.

Real Time

Describes an application that requires a program or process to respond immediately, typically on-line while an operator waits for the response or update. The alternative is batch processing, which is done for high volumes and does not require the operator to wait for each response.

Receipt

Notification sent to the Full Participant from the COD System indicating the system has received a school's Common Record and that it is readable and complies with the XML Schema.

Response

Document returned to the Full Participant school after processing is complete (similar to the acknowledgement sent to a phase-in participant). Contains updated information, including edit comments and rejects, where applicable.

Student Aid Report (SAR)

After the student's application is received by the processing system, the processor will produce a Student Aid Report (SAR). The SAR will report the information from the student's application, and if there are no questions or problems with the application, the SAR will report the Expected Family Contribution (EFC), the number used in determining the eligibility for Federal Student Aid. The EFC will appear in the upper right-hand portion of the student's SAR. The results will be sent to the student and to the schools that he or she listed on the application.

Student Identifier (SID)

Field on the Common Record that has the following three attributes: (1) the student's current Social Security number, (2) the student's current last name and (3) the student's current date of birth.

Substantiate

Accounting for funds already drawn or disbursed to a student. In the COD Process, schools substantiate funds by sending in disbursements (where the Payment Trigger flag is set to "true") detailing the disbursement amounts and dates.

Unprocessed Deobligation

An unprocessed deobligation is created if the obligation amount of a fully disbursed award is subsequently reduced by an ED Program Office.

Unsubstantiated Cash

Difference between the amount of cash (funds) a school has drawn down and the amount of cash the school has substantiated by submitting actual disbursements. Pertains to schools using the Advance Payment funding method.

Verification Status Code

Code that tells ED what the school has done relative to the student's selection or non-selection for verification. Valid Codes are:

- Blank (ISIR not selected or ISIR selected but not verified)
- V – Verified
- W – Without Documentation

APPENDIX B
Processing Announcements

Process of Becoming a Full Participant

Schools must send a Full Participant Request Letter, printed on school or corporate letterhead, to the COD School Relations Center. In order to set up your school as a Full Participant and process your records correctly, the Request Letter must contain the following information:

- School Name,
- School Address,
- OPE ID,
- DL G/E code (if applicable),
- Full Participant Status for Programs, and
- Program(s) for which your school intends to transmit data to COD as a Full Participant (e.g., Pell Grant Program and/or Direct Loan Program).

Pell Grant Program Full Participants

If you intend to transmit data to COD as a Full Participant in the Pell Grant Program, you must also include the following information:

- Software Products – List the software product(s) used to transmit data to COD.
- Contact Information for Financial Aid Director
  - Contact name,
  - E-mail address, and
  - Phone number.

Note: COD School Relations will send important information and updates regarding processing as a Full Participant to this contact. It will NOT be used to update the COD Web site. If this contact information is incorrect on the COD Web site and you wish to have it updated, you must update the information with the Department of Education's Postsecondary Education Participants System Information Gateway (PEPS) by contacting 1-877-366-3338. Once the information is updated, it will reflect the correct information on the COD System.

Contact Information for the Federal Pell Grant Program – Provide the name, e-mail address, and phone number of the primary contact for the Pell Grant Program. If this is the same individual as the Financial Aid Director, please indicate this when providing the information.

Note: COD School Relations will send important information and updates regarding Pell Grant processing as a Full Participant to this contact. If this contact information is incorrect on the COD Web site, call the COD Customer Service Center at 1-800-4PGrant and ask your Customer Service Representative to update this information.

Direct Loan Program Full Participants

If you intend to transmit data to COD as a Full Participant in the Direct Loan Program, you must include the following information:

- **Data Source** – Indicate the school/organization name.
- **OPE ID#.**
- **DL G/E code** (if applicable) of the school/organization that transmits your data to COD. This organization is the SAIG Destination point. It can be either a school or a third party servicer.
- **Reporting School** – Indicate whether your campus/location reports its own data to COD or uses another campus/location to report data on its behalf. This is the DL Code included in the Direct Loan Header record.
- **Attended School** – List any additional schools or locations, their OPE ID(s), and Direct Loan G/E Code (if applicable) for whom your campus/location reports data to COD. These are the DL Codes included in the individual detail records.
- **Software Product(s)** – For the campus/location above, list the software product(s) used to transmit data to COD.
- **Contact Information for Financial Aid Director** – Provide the name, e-mail address, and phone number of your school's Financial Aid Director.

Contact Information for the Direct Loan Program – Provide the name, e-mail address, and phone number of the primary contact for the Direct Loan program.

Note: COD School Relations will send important information and updates regarding processing Direct Loans to this contact. If this contact information is incorrect on the COD Web site and you wish to have it updated, call the COD School Relations Center at 1-800-848-0978 and ask your Customer Service Representative to update this information.

Where do I send my Full Participant Request Letter?
Print the Full Participant Request Letters on school or corporate letterhead and mail or fax them to:

U.S. Department of Education
COD School Relations Center
Attn: Full Participant
P.O. Box 9003
Niagara Falls, NY 14302
Fax #: 1-877-623-5082

Register as a Full Participant by contacting the COD School Relations Center at 1-800-474-7268 or via e-mail at CODSupport@afsa.com. An Electronic Announcement, posted on February 26, 2003, titled, "Common Origination and Disbursement (COD) Full Participant Setup in COD for 2003-04 Award Year," explains in detail the information you need to send in a letter to sign up as a Full Participant.

How to Gain Access to the COD Web Site

Once the Department of Education has approved a security administrator for your school, the security administrator can provide access to the COD Web site for users from YOUR school. To receive approval for a security administrator, you must submit a request letter to the Department of Education so that it has a signature on file. The letter must be printed on university or corporate letterhead and include the following information:

- Security administrator's first name;
- Security administrator's last name;
- Key word – Mother's maiden name (used for security purposes);
- Work telephone number;
- E-mail address;
- OPE ID;
- School name;
- Job title;
- Work address;
- Work fax number;
- Security administrator's signature;
- School approving authority's name, title, and signature (i.e., Financial Aid Administrator); and
- Third party vendor used (if applicable) – This will not authorize 3rd party servicers or vendors to access your school's data but helps COD to provide better Customer Service. Send your request letter to:

  U.S. Department of Education
  COD School Relations Center
  P.O. Box 9003
  Niagara Falls, NY 14302

Your security administrator will receive a user ID and password via his or her e-mail address. This initial e-mail will also include instructions for accessing

the COD Web site. The security administrator will also receive a School Administrator Guide with instructions on how to create other user accounts for individuals within your institution. You should NOT create user IDs and passwords for 3rd party servicers or vendors. Third party servicers/vendors are responsible for setting up their own COD security administrators and user accounts.

If you find that you need to close your security administrator's account and/or create a new security administrator, you must submit a new security administrator request letter with all the information again. If you need to deactivate your security administrator account, you should contact your CSR (Customer Service Representative) at the COD School Relations Center.

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The IFAP online library contains technical publications, regulations, and policy guidance on the administration of the Federal Student Aid programs.

Publication Date: March 18, 2003

Award Year: 2003-2004

Summary: UPDATED: COD Web Site Access for Schools

Posted on 03-18-2003

TO: All Destination Points

FROM: U.S. Department of Education

RE: UPDATED: COD Web Site Access for Schools

Summary

*** THIS ANNOUNCEMENT SUPERSEDES THE ANNOUNCEMENT "COMMON ORIGINATION AND DISBURSEMENT (COD) USER ID SETUP FOR WEB SITE," POSTED ON JUNE 4, 2002. ***

This document clarifies instructions for schools seeking web access to the Common Origination and Disbursement (COD) web site, www.cod.ed.gov.? These instructions explain how to set up a security administrator for your school. The security administrator will be able to set up others at his/her institution.

Third party vendors and servicers should reference the IFAP announcement "COD Web Site Access for Third Party Servicers and Vendors" for a summary of procedures to access the web site.

What is a security administrator for the COD web site?
COD security administrators can provide access to the COD web site for users FROM THEIR SCHOOL. You can determine the number of security administrators at your institution, although we suggest that you limit this number for security purposes.

How do I sign up a security administrator for my institution?
You must submit a security administrator request letter, so that the Department of Education has a signature on file.? This letter should be printed on university or corporate letterhead, and must include the following information:

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1) Security administrator's first name
2) Security administrator's last name
3) Keyword - **mother's maiden name** (this keyword identifier will be used for security purposes to identify an administrator if she/he forgets the web site password)
4) Work telephone number
5) Email address
6) OPE ID
7) School name
8) Job title
9) Work address
10) Work fax number
11) Security administrator's signature
12) School approving authority's name, title, and signature (e.g., Financial Aid Administrator)
13) Third Party Vendor Used (if applicable) - *Note: This is requested for information purposes only, and will help COD provide better customer service. This information DOES NOT authorize third party servicers or vendors to access your school's data.*

Where do I send my security administrator request letter?
Security administrator request letters should be printed on university or corporate letterhead and mailed to:
?
US Department of Education
Attn: COD Web Access
COD School Relations Center
P.O. Box 9003
Niagara Falls, NY 14302

How will I receive my security administrator user name and password?
Your security administrator user name and password will be sent to the email address provided in your security administrator request letter.? This initial email from the COD School Relations Center also includes instructions for accessing the COD web site.? For security purposes, your password will be delivered in a separate email from the COD School Relations Center.? This is secure information and should not be shared.

Once I am set up as a security administrator, how do I create user accounts for staff members in my institution?
You will receive a School Administrator Guide from the COD School Relations Center with instructions to create other user accounts for staff members IN YOUR INSTITUTION ONLY.

Should I create user accounts for the third party servicer and/or vendor that support(s) my institution?
No, it is not necessary to create user IDs and passwords for third party servicers or vendors used by your institution. They are responsible for setting up their own COD security administrators and user accounts.

Will my third party servicer and/or vendor be able to access data about my institution?
Yes, COD receives information about the relationships between schools, third party servicers and/or vendors through data stored in the TG numbers at SAIG.? This information allows users within a third party servicer or vendor organization to access data from your institution, as long as a relationship exists in SAIG.? If a relationship change occurs, your institution must contact SAIG Customer Service to reflect this change.

How do I update or set up an additional COD Security Administrator?
When you would like to update your current security administrator, or set up an additional security administrator, you must submit a new security administrator request letter.? Please include all of the information listed in the previous section.?

How do I deactivate my COD Security Administrator?
When a security administrator account needs to be deactivated, please contact your CSR at the COD School Relations Center.

If you have any questions or problems concerning this process, please contact the COD School Relations Center at 800/4PGRANT for Pell Grants and 800/848-0978 for Direct Loans.? Staff is available Monday through Friday, 8am-8pm Eastern Time. You may also email CODSupport@acs-inc.com.

DLB 99-74

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PublicationDate: 12/1/99
BulletinID: DLB - 99 - 74

December 1999

DLB 99-74

Subject: Returning Direct Loan Funds

Dear Partner:
Based on the questions that we are receiving from Direct Loan schools, there still appears to be some confusion concerning Direct Loan Program regulations that were published in the Federal Register on November 28, 1997 (62 FR 63428). These regulations changed the conditions under which a Direct Loan Program borrower is obligated to pay loan fees and interest charges when a school returns all or a portion of the borrower's loan to the Department of Education. In particular, many schools have asked about the significance of returning funds within 120 days of the disbursement date vs. more than 120 days after disbursement. We have prepared this Bulletin in order to clarify the regulatory change and explain how it affects the procedures for returning Direct Loan funds.

How did the Direct Loan Program regulations change?

The November 28, 1997 regulations amended 34 CFR 685.202(c) by changing the conditions under which a borrower must pay loan fees and interest charges on any portion of a loan that is returned by a *school*. Under the new regulations, which took effect July 1, 1998, a borrower is not charged loan fees and interest on any portion of a loan that a school returns *in order to comply with a regulatory or statutory requirement*, regardless of when the school returns the funds or when the action that required the return of funds occurred.

Under the regulations that were in effect before the July 1, 1998 change, a borrower was not charged loan fees and interest on funds returned by a school within 120 days of the disbursement date. However, if a school returned the funds more than 120 days after the disbursement date, a borrower was not charged loan fees and interest only if the school "should have" returned the funds within 120 days of disbursement because of an action that occurred within that 120-day period (for example, if the student had withdrawn or dropped below half-time status within 120 days of the disbursement date).

The November 28, 1997 regulations did *not* change the 120-day provision that applies when a *borrower* returns loan funds. A borrower must still return loan funds within 120 days of disbursement in order to avoid incurring loan fees and interest charges on the portion of the loan that is returned.

For a more detailed discussion of this regulatory change, please see pages 63429-63430 of the preamble to the November 28, 1997 Final Rule. You may obtain this document by going to the Department's Information for Financial Aid Professionals web site, ifap.ed.gov. Click on "Bookshelf," then "Federal Registers" and "By 1997 Publication Year".

How does this change affect schools?

When you are returning all or a portion of a borrower's Direct Loan Program loan in order to

comply with a regulatory or statutory requirement, it no longer matters whether more than 120 days have elapsed since the date of disbursement. In all such cases, you make the appropriate downward adjustment to the borrower's loan record(s) and follow the same procedures that apply for returning excess cash. If you need to make an adjustment or cancellation for a "closed" year (for example, 1995-96 or 1996-97), please contact the Direct Loan Program Operations Team at **202-205-6466**.

Example:

More than 120 days after you disbursed a loan, you must return a portion of the loan in order to comply with 34 CFR 668.22 (the regulations that govern the return of Title IV funds when a student withdraws). You adjust the borrower's loan record downward by the appropriate amount and return the funds. The borrower is not charged loan fees or interest on the portion of the loan that you return.

Now that the regulations have changed, does the 120-day provision ever apply when a school is returning Direct Loan funds?

Yes. The 120-day rule still applies when you are returning funds for reasons other than to comply with a regulatory or statutory requirement, such as when you are assisting a borrower in returning all or a portion of a loan because the borrower has determined that he or she does not need the funds. In this situation, the following rules apply:

If you are returning loan funds at the borrower's request *within 120 days of disbursement*, follow the procedures for returning funds in order to comply with a regulatory or statutory requirement (see above).

If you are returning funds at the borrower's request *more than 120 days after disbursement*, send a check to the Direct Loan Payment Center as a payment on the borrower's account. Do *not* make any adjustments to the borrower's loan record(s).

Examples:

A borrower determines that he does not need the full amount of a disbursement and returns a portion of the loan funds to your school 30 days after the disbursement date. You make the appropriate downward adjustment to the loan record and return the funds. The borrower is not charged loan fees or interest on the portion of the loan that you return.

A borrower determines that she does not need the full amount of a disbursement and asks you to return a portion of the loan 130 days after the disbursement date. You return the funds by check to the Direct Loan Payment Center. You do *not* make a downward adjustment to the borrower's loan record. The returned funds will be applied to the borrower's account, and the borrower will be charged loan fees and interest on the entire loan amount.

Where can schools find additional guidance on the correct procedures for returning Direct Loan funds?

We have attached a revised "Excess Cash/Borrower Payment Transmittal" form that reflects the change made by the November 28, 1997 regulations and provides detailed instructions for:
returning excess cash,
returning loan funds in order to comply with regulatory/statutory requirements,
returning loan funds at a borrower's request within 120 days of disbursement, and
returning loan funds at a borrower's request more than 120 days after disbursement.

You may use this form when you return funds (for any of the above reasons) by check. The form also provides information on returning funds by electronic funds transfer (ACH/FEDWIRE).

We hope you find the information in this Bulletin helpful. Thank you for your ongoing partnership in the Direct Loan Program.

Sincerely,

Margaret E. White
Acting Lead, Title IV Delivery
Schools Channel

Attachment

Enclosure

News from NASFAA

Department of Education Electronic Announcement

Using Your COD Routing ID in 2003-2004 EDExpress Pell and Direct Loan Setup

TO: All EDExpress Pell and Direct Loan Users

FROM: U.S. Department of Education, Federal Student Aid

RE: Using your COD Routing ID in 2003-2004 EDExpress Pell and Direct Loan Setup

NOTE: This is the third in a series of network messages you will be receiving from Federal Student Aid (FSA) over the next few months regarding using EDExpress to process Pell and Direct Loan records via the new Common Origination and Disbursement (COD) system.

***

Schools planning to process Pell and/or Direct Loan data via 2003-2004 EDExpress Version 9.1 must enroll with COD as a Full Participant for the applicable program(s). Please see the instructions at the end of this letter about how to enroll with COD as a Full Participant if you have not yet done so.

When the enrollment process is complete, you will start using the COD assigned identifier known as a "Routing ID". The Routing ID, an eight-character numeric key, renames the Common School Identifier (CSID) or COD ID that had been referred to in 2002-2003. The values in the key do not signify any information about your school except its identity on the COD system. If you have multiple campuses associated with your school you may have more than one Routing ID assigned to you by COD. COD establishes all of your schools' reporting/attending relationships in their system during your enrollment as a Full Participant.

The Routing ID(s) provided to you by COD is required to populate "Entity ID" fields that have been added to the Pell and Direct Loan setup screens in EDExpress Version 9.1. Populating the Entity ID fields correctly is crucial in

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ensuring Pell and Direct Loan data exported to COD via Version 9.1 can be identified and processed accurately.

Once you have enrolled with COD as a Full Participant for the Pell and/or Direct Loan program(s), you will need to acquire your Routing/Entity ID(s) from the COD Web site (http://www.cod.ed.gov/). For information on obtaining a User name and Password to access the COD Web site, please refer to the IFAP posting at: http://www.ifap.ed.gov/cod/0318Schoolaccess.html. Third party servicers and vendors should visit: http://www.ifap.ed.gov/cod/03183rdPartyAccess.html.

The following Entity ID fields have been added to Pell and Direct Loan setup in Version 9.1 and should be populated appropriately:

Source Entity ID

- The Source Entity ID is the Routing ID of the school/organization that physically sends or transmits Pell and/or Direct Loan data in the Common Record format to COD. The sender can be either a school or third party servicer. This is the Routing ID of the school who is associated with the SAIG Destination point.
- In EDExpress: Use the Routing ID to populate the Source Entity ID field on the System Setup screen for Pell and/or Direct Loan (via Tools | Setup). NOTE: If you are a third party servicer you should also mark the "Third Party Servicer?" checkbox on the System Setup screen for Pell and/or Direct Loan.

Reporting Entity ID

- The Reporting Entity ID is the Routing ID of the school that reports the Pell and/or Direct Loan data in the COD Common Record format for the campuses or students it serves. The Reporting School Entity ID must be a school and cannot be a third party servicer. For Pell it is equal to the Reporting Pell ID that was placed in their Grant Batch Header record's Batch ID. For Direct Loans, this is the Routing ID of the school whose DL Code was included in the Direct Loan Header record on fixed-length (legacy) records in past years.
- In EDExpress, you will use the Routing ID as the Reporting Entity ID on the Pell and Direct Loan School Setup screens. For Pell, the Reporting Entity ID can be found directly below the Reporting Campus Code on the School Setup screen (via Tools | Setup | Pell). For Direct Loan, you will enter the Reporting Entity ID on the grid that appears when you click on Tools | Setup | Direct Loan.

Attended Entity ID

- For Pell, the Attended Entity ID is the Routing ID of the school or campus *where the student attends class* if that campus or location is separately eligible. If the campus or location is not separately eligible, then the Reporting School Entity ID must also be used in the Attended School Entity ID field. The Attended School Entity ID must be equal to the Reporting School Entity ID or must have an established relationship to the Reporting School Entity ID.
- For Direct Loans, the Attended Entity ID is the Routing ID of the school whose DL Code was included in the individual records on fixed-length (legacy) loan records in past years. Schools that report data for multiple campuses or locations will need the Routing IDs of these locations in order to properly populate this field in EDExpress Direct Loan setup.
- In EDExpress: For Pell, the Attended Entity ID can be found directly below the Attended Campus Code on the School Setup screen (via Tools | Setup | Pell). For Direct Loan, you will enter the Attended Entity ID on the grid that appears when you click on Tools | Setup | Direct Loan.

It is entirely possible that you will use the same Routing ID for all three Entity IDs in your school's EDExpress Pell and/or Direct Loan setup. For example, schools that do not have their own unique Pell IDs (due to an attended campus relationship with a main campus) would use the main campus Entity ID in both Reporting and Attended fields in EDExpress setup. This main campus may be a reporting campus in its own right or may be an attended campus of another school. Another example would be a school whose source, reported and attended relationship is for only one school.

Note: The "Destination Entity ID" referenced in the COD Welcome Letter is not a field EDExpress users need to populate or be concerned about. The software's COD Export process (for the Pell and Direct Loan modules) will automatically populate this field in export files.

EDExpress Version 9.1 is now available for download from the Department's Federal Student Aid Download (FSAdownload) Web site, located at http://fsadownload.ed.gov/.

If you have any questions about EDExpress, please contact CPS/WAN Technical Support at 800/330-5947 or via e-mail at CPSWAN@ncs.com.

You must notify COD that your school will be a Full Participant by completing a letter as described in the IFAP posting at the following website:
www.ifap.ed.gov/eannouncements/0226CODSignUpforFP0304.html

If you have any questions about COD, please contact the COD School Relations Center at 800/4PGRANT for Pell Grants or 800/848-0978 for Direct Loans. You may also email COD Customer Service at: CODSupport@acs-inc.com.

Posted May 8, 2003 on www.NASFAA.org, the Web Site of the National Association of Student Financial Aid Administrators (NASFAA). Please submit Web Site questions or comments to web@nasfaa.org

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The IFAP online library contains technical publications, regulations, and policy guidance on the administration of the Federal Student Aid programs.

Publication Date: September 17, 2002

Author: General Manager: FSA School Channel

Summary: Important Information for the end of the 2001-2002 year processing for the Federal Pell Program

Posted on September 17, 2002

TO: All Destination Points

FROM: Pell Grant Processing

RE: Important Information for the end of the 2001-2002 year processing for the Federal Pell Program

PROCESSING DEADLINE FOR THE 2001-2002 PELL PROCESSING YEAR

This is a reminder that the deadline for electronically transmitting records for the Federal Pell Grant 2001-2002 award year is Monday, September 30, 2002. This deadline was previously announced in the Federal Register dated August 20, 2001.

(http://www.ifap.ed.gov/fregisters/FR08202001.html). Your transmission must be completed by midnight (local time at your destination point) on September 30, 2002 to meet the deadline. No requests for new or increased disbursements will be accepted after this deadline unless the requests meet the requirements for post deadline adjustments as set out in 34 CFR 690.83 and an administrative relief request has been approved by the Department. Or if new or increased award was not accepted because it was previously blocked for payment due to an accepted disbursement record at another institution, and the student record is now unblocked, these disbursements can be submitted without administrative relief.

Please take action prior to September 30 to submit new or revised information that is the result of new or changed awards, changed verification statuses, or to unblock awards for students attending other schools, so that other schools may submit records at this time.

ADMINISTRATIVE RELIEF REQUESTS

If you are unable to meet the deadline for transmitting records for new or increased 2001-2002 awards by Monday, September 30, 2002, your school may

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qualify for Administrative Relief from the reporting deadline under certain unusual circumstances. These conditions are:

1. The U.S. Department of Education or one of its operating partners made an administrative or processing error which prevented you from meeting the September 30, 2002 deadline; or

2. an event, such as a natural disaster, prevented you from meeting the deadline, or other unusual circumstances beyond the school's control.

To request Administrative Relief, send a written statement describing the problem in detail. Include the award year for which you are requesting relief (ex. 2001-2002), your six-digit Pell institution number, a contact name and phone number and e-mail address.

* By e-mail: mailto:sfa.administrative.relief@ed.gov

* By the Pell Web Site http://www.pellgrantsonline.ed.gov/

If your request for Administrative Relief is approved, we will notify you by e-mail. Please note: We must RECEIVE your request for Administrative Relief no later than JANUARY 31, 2003

POST-DEADLINE EDITING
Records for 2001-2002 received after September 30 will be edited to determine if the school has been granted Administrative Relief to submit records beyond that date.

Note: If the institution has been informed through a Multiple Reporting Record (MRR) that a record has been unblocked by a previously blocking institution (that is, a "PU has been received on an MRR record), the institution will not have to request Administrative Relief for the disbursement record increase to be accepted.

* If an origination is received for a decreased annual award or a negative disbursement record is received, each will be processed, regardless of whether or not Administrative Relief has been granted to the school.

* If an origination is received for an increased or new annual award or a positive disbursement record is received and no administrative relief has been granted, each will be rejected.

RECONCILIATION TOOLS

RFMS offers two files that provide you information to help in either the year-end or ongoing reconciliation process. The first is the Year-to-Date File that contains detail origination, disbursement, and summary information on all your Pell Grant students at a transaction level. In addition, schools or servicers may request a reconciliation file. These files can be requested using your regular software interface (EDExpress, Third Party Software or Mainframe systems) or via the Pell web site

(http://www.pellgrantsonline.ed.gov/) under the data request area. In addition to these tools, you may want to look at the RFMS Web site (http://www.pellgrantsonline.ed.gov/). The "Student Information" page allows you to view the activities of other schools with respect to originations and disbursements for individual students enrolled at your institution.

If you have any questions on this or any other Pell Grant matter, please contact Pell Grant Customer Service at 1-800-4PGRANT (800-474-7268) or e-mail us at mailto:pell.systems@ed.gov

COD Processing Update/Direct Loan 5/20/03

COD 2003-2004 Technical Reference Clarification-Resending Batches

In the 2003-2004 COD Technical Reference, Volume IV-Direct Loan, Section I-Implementation Guide, page 40 there is an item that needs clarification. This regards the ability to request batches be resent from COD. The 2003-2004 Technical Reference states that the COD web site provides the ability for users to request that an acknowledgement for any batch be resent to a school's SAIG mailbox. This is incorrect. This functionality is not available currently and will not be available in the near future. In future releases of the Technical Reference this information will be removed.

COD Processing Update: Direct Loan/Pell Grants

XML/Common Record Line Limit (05/27/03)
COD would like to share the following information regarding Common Record processing in the COD System. This information will be included in the next update of the 2003-2004 COD Technical Reference.

When submitting XML format/Common Record documents to COD, the document needs to contain less than 4000 characters/bytes per line for it to be accepted and processed in the COD System.

The COD System cannot process documents that contain over 4000 characters/bytes per line. To prevent your documents from rejecting you can add carriage returns to separate lines or use one tag per line. Documents that are submitted with an invalid length will not be processed or acknowledged by the COD System.

For additional information about using carriage returns in a Common Record document, please refer to Volume II Section 3: Common Record Layout, pp 44-46 of the 2003-2004 COD Technical Reference. If you have any questions regarding COD Processing please contact the COD School Relations Center at 1-800-848-0978 for Direct Loans, 1-800-4PGRANT for Pell Grants, or email CODSupport@acs-inc.com.

Announcement from Federal Student Aid (FSA) and National Council on Higher Education Loan Programs (NCHELP)

FSA, PESC and NCHELP have been working collaboratively for approximately two years on the development and design of the Common Record to achieve consensus on an XML higher education standard that enables all stakeholders to receive maximum benefit from the adoption of XML technology, with better, faster, cheaper information exchange.

The end result value of the collaborative effort to aid administrators is consistent origination, disbursement, and reporting of the Pell Grant, Direct Loan, FFEL, and private loan programs with minimal differences only where required. The value of the collaborative efforts to students and parents is consistent processing behind the scenes to provide funding as early as possible in the award year. The value of the collaborative effort to software vendors is the ability to expend resources on enhancements rather than support (similar yet different) disparate file formats and processes as they exist today. The value of the collaborative effort to FFELP lenders, guaranty agencies, and servicers is the ability to partner on common initiatives for the overall good of the financial aid community.

FSA remains committed to XML as an effective tool to meet the current and future business needs of FSA, schools and the community. FSA realizes that a large benefit of XML is the creation and adoption of a community based XML standard. In 03-04, FSA changed every XML tag name in the Common Record: COD to align with community standards. In 04-05 additional changes have been negotiated. While FSA supports these changes, these changes have been negotiated prior to testing and implementation of Common Record: CommonLine, the Academic Transcript, and prior to the completion of FSA's XML Framework. While FSA is committed to the community standard we also recognize that there must be a balance between the benefit and burden of change for our customers. Therefore, in order to manage change, FSA will not change the COD schema to align with the community standard in 04-05.

FSA's future plans include the following:

- The COD schema will be updated to conform to the community standard. It is anticipated that these changes will be made for 05-06.
- In order to ensure that FSA is not publishing schemas following different standards, the Common Record:ISIR will not be operational until 05-06. At that time, the ISIR schema will fully align with the community standard.
- Because FSA does not wish to mandate using a schema with known changes pending, FSA will extend the requirement to use XML for COD until 05-06.

NCHELP also remains committed to the implementation of the XML based Common Record for FFELP and alternative loan processing. The development schedule for Common Record: CommonLine has followed an aggressive time line for design, testing and implementation. Given the changes in the FSA requirements NCHELP will consult with software vendors, schools and service providers to determine how best to proceed in close collaboration toward successful implementation and transition to the XML-based Common Record: CommonLine standard. Based upon that consultation the NCHELP Electronic Standards Committee (ESC) will further review the planned testing and implementation schedule for Common Record: CommonLine and publish updated information to the community.

NCHELP's future plans include the following:

- The ESSC (Electronic Standards Steering Committee) will consult with financial aid management systems vendors that support FFELP and alternative loan processing to conduct an analysis of the impact that the FSA revised requirements will have on the Common Record: CommonLine implementation.
- The ESC is committed to publication of final documentation and schemas in July 2003.
- The ESC will work aggressively for the development of testing software similar to that which was provided for CommonLine Release 5 implementation to ensure that providers have the tools necessary for a smooth transition to Common Record: CommonLine

The ESC and ESSC will work together to rapidly agree upon implementation time lines and plans for the FFELP and alternative loan processing via Common Record, and announcements regarding same will be made no later than early August 2003.

Again, FSA and NCHELP are strongly committed to the development of a community standard. The collaborative efforts of the past two years have been extraordinary and we look forward to the continuation of this endeavor.

APPENDIX C
Reports

Direct Loan School Account Statement (SAS)

Example - Year-To-Date Cash Summary

```
Report Date: 06/04/2002      U.S. Department of Education                  Page:  1
Report Time: 99:99:99     2002-2003 Federal Direct Loan Program
                           Direct Loan School Account Statement
      THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*******************************************************************************
Batch ID: AS3G01890200206031456l8
COD Process Date: 06/03/2002

School Code: G01890
Month End: 05/31/2002


YEAR-TO-DATE CASH SUMMARY

Beginning Balance:                                          $00,000,000,000
      Cash Receipts:                $99,999,999,999
      Excess Cash Returned:         $(9,999,999,999)
Total Net Cash Receipts                                     $99,999,999,999

      Net Booked Disb. Actual       $99,999,999,999
      Net Booked Disb. Adjustments  $99,999,999,999
Total Net Booked Loan Detail                                $99,999,999,999

Ending Cash Balance:                                        $99,999,999,999

-------------------------------------------------------------------------

      Net Unbooked Disb. Actual     $99,999,999,999
      Net Unbooked Disb. Adjustments $99,999,999,999
Total Net Unbooked Loan Detail                              $99,999,999,999


Adjusted Ending Cash Balance:                               $99,999,999,999

******

COD's Ending Cash Balance represents the Department's official cash balance for your
school at the end of the current month. This ending cash balance from COD's records will
be used by the Department to monitor the cash activity and balances at your school.   If
your records do not agree, please notify your Customer Service Representative
IMMEDIATELY.
                                      ******
```

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Example - Year-To-Date Disbursement Summary

```
Report Date: 06/04/2002     U.S. DEPARTMENT OF EDUCATION                Page:  2
Report Time: 09:25:07      2002-2003 Federal Direct Loan Program
                            Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
********************************************************************************
BATCH ID: AS3G0189020020603145618
COD Process Date: 06/03/2002

School Code: G01890
Month End: 05/31/2002


YEAR-TO-DATE DISBURSEMENT SUMMARY


Disbursement Loan Totals:
                                        BOOKED LOANS            UNBOOKED LOANS
                                    ------------------------------------------
      Subsidized Gross      :       $99,999,999,999         $99,999,999,999
      Subsidized Fee        :       $(9,999,999,999)        $(9,999,999,999)
      Subsidized Rebate     :       $ 9,999,999,999         $ 9,999,999,999
      Subsidized Net        :       $99,999,999,999         $99,999,999,999

      Unsubsidized Gross    :       $99,999,999,999         $99,999,999,999
      Unsubsidized Fee      :       $(9,999,999,999)        $(9,999,999,999)
      Unsubsidized Rebate   :       $ 9,999,999,999         $ 9,999,999,999
      Unsubsidized Net      :       $99,999,999,999         $99,999,999,999

      PLUS Gross            :       $99,999,999,999         $99,999,999,999
      PLUS Fee              :       $(9,999,999,999)        $(9,999,999,999)
      PLUS Rebate           :       $ 9,999,999,999         $ 9,999,999,999
      PLUS Net              :       $99,999,999,999         $99,999,999,999

Total for all Loan Types:

      Sub/Unsub/PLUS Gross  :       $99,999,999,999         $99,999,999,999
      Sub/Unsub/PLUS Fee    :       $(9,999,999,999)        $(9,999,999,999)
      Sub/Unsub/PLUS Rebate :       $ 9,999,999,999         $ 9,999,999,999
      Sub/Unsub/PLUS Net    :       $99,999,999,999         $99,999,999,999

                                    ******
```

Example - Monthly Cash Summary

```
Report Date: 06/04/2002     U.S. Department of Education                Page:  3
Report Time: 99:99:99    2002-2003 Federal Direct Loan Program
                          Direct Loan School Account Statement
      THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
*******************************************************************************
Batch ID: AS3G0189020020603145618
COD Process Date: 06/03/2002

School Code: G01890
Month End: 05/31/2002


MONTHLY CASH SUMMARY

Beginning Balance:                                        $99,999,999,999
      Cash Receipts:                  $99,999,999,999
      Excess Cash Returned:           $(9,999,999,999)
Total Net Cash Receipts                                   $99,999,999,999

      Net Booked Disb. Actual         $99,999,999,999
      Net Booked Disb. Adjustments    $99,999,999,999
Total Net Booked Loan Detail                              $99,999,999,999

Ending Cash Balance:                                      $99,999,999,999

-------------------------------------------------------------------------

      Net Unbooked Disb. Actual       $99,999,999,999
      Net Unbooked Disb. Adjustments  $99,999,999,999
Total Net Unbooked Loan Detail                            $99,999,999,999


Adjusted Ending Cash Balance:                             $99,999,999,999
                              ******

COD's Ending Cash Balance represents the Department's official cash balance for your
school at the end of the current month. This ending cash balance from COD's records will
be used by the Department to monitor the cash activity and balances at your school.   If
your records do not agree, please notify your Customer Service Representative
IMMEDIATELY.

                              ******
```

Example - Monthly Disbursement Summary

Report Date: 06/04/2002 U.S. DEPARTMENT OF EDUCATION Page: 4
Report Time: 09:25:07 2002-2003 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
****

BATCH ID: AS3G0189020020603145618
COD Process Date: 06/03/2002

School Code: G01890
Month End: 05/31/2002

MONTHLY DISBURSEMENT SUMMARY

Disbursement Loan Totals:

	BOOKED LOANS	UNBOOKED LOANS
Subsidized Gross :	$99,999,999,999	$99,999,999,999
Subsidized Fee :	$(9,999,999,999)	$(9,999,999,999)
Subsidized Rebate :	$ 9,999,999,999	$ 9,999,999,999
Subsidized Net :	$99,999,999,999	$99,999,999,999
Unsubsidized Gross :	$99,999,999,999	$99,999,999,999
Unsubsidized Fee :	$(9,999,999,999)	$(9,999,999,999)
Unsubsidized Rebate :	$ 9,999,999,999	$ 9,999,999,999
Unsubsidized Net :	$99,999,999,999	$99,999,999,999
PLUS Gross :	$99,999,999,999	$99,999,999,999
PLUS Fee :	$(9,999,999,999)	$(9,999,999,999)
PLUS Rebate :	$ 9,999,999,999	$ 9,999,999,999
PLUS Net :	$99,999,999,999	$99,999,999,999

Total for all Loan Types:

Sub/Unsub/PLUS Gross :	$99,999,999,999	$99,999,999,999
Sub/Unsub/PLUS Fee :	$(9,999,999,999)	$(9,999,999,999)
SubUnsub/PLUS Rebate :	$ 9,999,999,999	$ 9,999,999,999
Sub/Unsub/PLUS Net :	$99,999,999,999	$99,999,999,999

Example - Cash Detail

Report Date: 06/04/2002 U.S. DEPARTMENT OF EDUCATION Page: 5
Report Time: 09:25:07 2002-2003 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
****

BATCH ID: AS3G0189020020603145618
COD Process Date: 06/03/2002

School Code: G01890
Month End: 05/31/2002

CASH DETAIL RECORDS FOR THIS MONTH

TRANS TYPE	DATE	AMOUNT	GAPS CONTROL #	CHECK #
Cash Receipt	05/11/2002	$99,999,999,999	XXXXXXXXXXXX	
Excess Cash	05/11/2002	$99,999,999,999		XXXXXXX

******

Example - Loan Detail

Report Date: 06/04/2002 U.S. DEPARTMENT OF EDUCATION Page: 6
Report Time: 09:25:09 2002-2003 Federal Direct Loan Program
Direct Loan School Account Statement
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
****

BATCH ID: AS3G01890200206031456l8
COD Process Date: 06/03/2002

School Code: G01890
Month End: 05/31/2002

LOAN DETAIL RECORDS

BORROWER'S NAME LOAN ID	DISB#/TYPE SEQ#/ DATE	COD AMOUNT	STATUS	DISB.BOOKED DATE
MAGUIRE, JERRY	01 D		BOOKED	05/14/2002
0010100001U03G01890001	001 05/13/2002	$ 1312	GROSS	
		$ 39	FEE	
		$ 19	REBATE	
		$ 1292	NET	
		$	NET ADJUSTMENT	

* ALL RECORDS BOOKED *

REPORT ID:
RUN DATE: 03/22/20

U.S. DEPARTMENT OF EDUCATION
FEDERAL DIRECT LOAN PROGRAM
PENDING DISBURSEMENT LISTING REPORT

PAGE 1 OF 134
RUN TIME: 07:57 AM

AWARD YEAR: 2002-2003
REPORTING END DATE: 5/5/03
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

SCHOOL NAME: SCHOOL CODE:
ADDRESS:

STUDENT NAME	SSN	LOAN TYPE	LOAN ID	DISB DATE	DISB NO.	GROSS AMT	FEE AMT	REBATE AMT	NET AMT
AARON		S		3/25/03	2	875.00	26.00	13.00	862.00
			TOTAL NET AMOUNT:						862.00
		U		3/25/03	2	500.00	15.00	8.00	493.00
			TOTAL NET AMOUNT:						493.00
ABOUL		S		3/25/03	2	656.00	19.00	10.00	647.00
			TOTAL NET AMOUNT:						647.00
		U		3/25/03	2	1000.00	30.00	15.00	985.00
			TOTAL NET AMOUNT:						985.00
ADAM		P		8/24/02	1	3851.00	154.00	58.00	3755.00
				1/17/03	2	3851.00	154.00	58.00	3755.00
			TOTAL NET AMOUNT:						7510.00
ADAM		S		3/25/03	2	875.00	26.00	13.00	862.00

REPORT ID:
RUN DATE: 03/25/2003

U.S. DEPARTMENT OF EDUCATION
FEDERAL DIRECT LOAN PROGRAM
FUNDED DISBURSEMENT LISTING REPORT

PAGE 1 OF 1
RUN TIME: 07:21AM

FOR LOANS TO BE FUNDED BY
FOR ACADEMIC YEAR:
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

SCHOOL NAME:
ADDRESS:

SCHOOL CODE:

There is no data for this report.

30 Day Warning Report

REPORT DATE: 08/03/2002 DEPARTMENT OF EDUCATION PAGE: 1
PROGRAM: LB002 2002-2003 Federal Direct Loan Program
30 DAY WARNING REPORT
For Academic Year 2002-2003
FOR THE PERIOD ENDING 07/31/2002

SCHOOL NAME: LOS University SCHOOL CODE: G99999
ADDRESS: 4200 WILSON BOULEVARD, ARLINGTON, VA 22203

Loans Pending Booking Section:

LOAN TYPE	LOAN ID	BORR NAME	DATE RCVD	DATA NEEDED: LOAN	PROM	DISB
S	123456789S03G99999001	DUCK, DONALD	07/09/02	OK	N	Y
S	234567891S03G99999001	BUNNY, BUGSY	06/17/02	OK	Y	Y
S	345678912S03G99999001	DUCK, DAFFY	07/28/02	OK	Y	Y
S	456789123S03G99999001	GOODE, JOHNNY B	07/03/02	OK	N	Y
S	789456123S03G99999001	COYOTE, WILEY	06/17/02	OK	N	Y
TOTAL NUMBER STAFFORD		5				
U	123456789U03G99999001	DUCK, DONALD	07/09/02	OK	N	Y
U	234567891U03G99999001	BUNNY, BUGSY	07/28/02	OK	Y	Y
U	789456123U03G99999001	COYOTE, WILEY	06/17/02	OK	Y	Y
TOTAL NUMBER STAFFORD (UNS)		3				
GRAND TOTAL		8				

Promissory Notes Without Origination Records Section:

Loan ID	Batch ID	Date Received	Note Amount
312345678U03G99999001	#A3G9999920020929070701	07/02/02	$4,000

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Inactive Loans Report

REPORT DATE: 02/01/2003 U.S. DEPARTMENT OF EDUCATION PAGE: 1
PROGRAM: XXXXX FEDERAL DIRECT LOAN PROGRAM
INACTIVE LOANS REPORT
FOR THE PERIOD 01/01/2002 - 01/31/2003

SCHOOL NAME: XYZ ACADEMY SCHOOL CODE: 000000
ADDRESS: 123456 X-RAY TECHNICIAN BLVD, WINSTON-SALEM, NC 27403

LOAN TYPE	LOAN ID	BORROWER NAME	INACTIVE DATE
S	000000000S03X00000000	PAULSEN, PATRICK	01/03/2003
S	000000000S03X00000000	COLLINS, MICHILLE	01/02/2003
S	000000000S03X00000000	CARTWRIGHT, ROBERT	01/22/2003
S	000000000S03X00000000	BASILE, LINDA	01/28/2003
TOTAL NUMBER OF INACTIVE DIRECT SUBSIDIZED LOANS FOR PERIOD: 4			
U	000000000U03X00000000	MARSHALL, EDWARD	01/28/2003
U	000000000U03X00000000	FORRESTER, SUSAN	01/02/2003
TOTAL NUMBER OF INACTIVE DIRECT UNSUBSIDIZED LOANS FOR PERIOD: 2			
P	000000000P03X00000000	PHILLIPS, JOAN	01/13/2003
TOTAL NUMBER OF INACTIVE PLUS LOANS: 1			
GRAND TOTAL: 7			

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Duplicate Student Borrower Report

```
Report Date:  03/10/2003     U.S. Department of Education        Page:   1
Report Time:  18:31:25              Federal Direct Loan Program
                                Duplicate Student Borrower Report
                                 For Direct Loan Year 2002-2003
Reporting Period: 02/30/2003

School Code:   G99999
School Name:   Sample Institute
-------------------------------------------------------------------------------
Borrower SS #            Borrower Name
-------------------------------------------------------------------------------
Loan ID              Loan              Total    G  Loan Period           School
                     Amount            Actual   R                        Code
                     Approved          Gross    A
                                       Dis      D
                                       Amount   E
-------------------------------------------------------------------------------
School Name                 City             State Zipcode       Telephone #
-------------------------------------------------------------------------------
Borrower Academic Year      Dependency       Additional Unsub. Eligibility:
                                          Dependent Student HEAL
-------------------------------------------------------------------------------
999-99-9999                 Student Smith
999999999S03G99999001  $02625             $01313   01  09/10/2002-06/01/2003  G99999
Sample Institute            New City       VA  99999-0000      999-999-9999
09/10/2002-06/01/2003  D

999999999S03G88888001  $02625             $01312   01  09/06/2002-05/10/2003  G88888
Test College                College Station CA  99999-0000      999-999-9999
09/06/2002-05/10/2003  D

888-88-8888                       Student Jones
888888888U03G99999001  $03500             $03500   03  09/02/2002-12/15/2002  G99999
Sample Institute            New City       VA  99999-0000      999-999-9999
09/02/2002-05/20/2003  D

888888888U03G99999002       $04000         $04000   03  02/01/2002-06/30/2002  G99999
Sample Institute            New City       VA   99999-0000     999-999-9999
02/01/2003-08/28/2003       D              Y
```

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT
The Duplicate Student Borrower Report lists student borrowers for which COD has accepted multiple Direct Subsidized and/or Unsubsidized Loan Origination records. The list indicates other schools that have submitted a loan origination record for the same borrower who may be attending your school. This report assists in identifying subsequent loan origination records that may reject due to exceeding the annual loan limits. This report does NOT relieve the school of its responsibility to monitor all loan activity (including FFEL) for a student through the Financial Aid Transcript and NSLDS processes.

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REPORT ID:
RUN DATE: 03/25/2003

U.S. DEPARTMENT OF EDUCATION
FEDERAL DIRECT LOAN PROGRAM
SSN/NAME/DATE OF BIRTH CHANGE REPORT

PAGE 1 OF 1
RUN TIME: 07:24AM

AWARD YEAR: 2002-2003

REPORTING PERIOD: 2003-03-01 - 2003-03-31

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

SCHOOL NAME:
ADDRESS:

SCHOOL CODE:

BORROWER NAME SCHOOL NAME	BORROWER SSN CITY	USER STATE	LOAN ID ZIP CODE	FIELD NAME TELEPHONE	OLD VALUE	NEW VALUE	LOAN PERIOD	DATE CHANGE ACCEPTED	STATUS SCHOOL ID	INI LOAN	INI CODE
		BATCH		BIRTH DT 0000000000	1980-02-27	1983-05-06	2002-09-03 - 2003-05-21	3/21/03			

This report list SSN/Name/DOB changes for a student with loans from schools. This report assists schools in identifying when demographic data changes for a student.

Disbursement Activity Not Yet Booked at Servicing Report

Run Date: 11/30/2002 U.S. Department of Education Page 1
Federal Direct Loan Program
Report on Disbursement Activity Not Yet Booked at Servicing
as of 11/30/2002
For Transactions Received (From Schools)
and booked at LOS by 11/13/2002
School Code: G99903 School Name: SAMPLE COMMUNITY COLLEGE

Line No / Loan ID / Booked Dt	Program Yr / Dt Recv@LOS	Borrower Name / Disb Seq No / Net Amt/Net Adj	Activity Seq No	Borrower SSN / Trans Type / Days Held	(Y/N)
1	2002-2003	GREENE1, TREVOR		123-22-1234	
123221234S03G99903001		1	1	D	
10/02/2002	*10/02/2002	$340.00		5	N
2	2002-2003	GREENE1, TREVOR		123-22-1234	
123221234S03G99903001		2	1	D	
10/02/2002	*10/02/2002	$340.00		5	N
3	2002-2003	GREENE1, TREVOR		123-22-1234	
807009040S03G99903001		3	1	D	
10/02/2002	*10/02/2002	$340.00		5	N

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

This Disbursement Activity Not Yet Booked at Servicing Report lists the disbursement transactions that have been booked at LOS but have not been booked at Servicing. This report also lists the disbursements transactions that have not been booked in LOS because of the transactions error (Held). The report assists schools in identifying the problem loans.

* indicates the transaction has been reported in the previous month.

Entrance Counseling Results Report

REPORT DATE: 07/31/2002 U.S. DEPARTMENT OF EDUCATION Page 1
REPORT TIME: 23:59:59 FEDERAL DIRECT LOAN PROGRAM
ENTRANCE COUNSELING QUIZ RESULTS

SCHOOL NAME: HARVARD UNIVERSITY
ADDRESS: 234 PINEAPPLE BLVD, SPRINGFIELD, VA 34382
SCHOOL CODE: G92155

Borrower SSN	Borrower DOB	Borrower Name	Completion Date	Completion Time	R&R Ack
111-22-3333	01/01/1975	Pradip T Harris	07/02/2002	12:01:01 AM	Y
222-33-4444	01/01/1980	Scott Myers	07/12/2002	12:01:01 PM	Y
333-22-5555	01/01/1978	Joe Blow	07/21/2002	11:01:01 PM	Y

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Electronic Statement of Account (ESOA)

```
Report Date:  MM/DD/CCYY    U.S. DEPARTMENT OF EDUCATION
STUDENT FINANCIAL ASSISTANCE PROGRAMS
Report Time:  HH:MM:SS
2002-2003 Award Year
   FEDERAL PELL GRANT PROGRAM
ELECTRONIC STATEMENT OF ACCOUNT

**********************************************************************
**********************

PELL INSTITUTION NUMBER
999999
SCHOOL NAME
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
STATE
XX
GRANTEE DUNS NUMBER
XXXXXXXXXXX
GAPS AWARD NUMBER
XXXXXXXXXXXXXXX

     Accounting Schedule
999
     Accounting Schedule Date
MM/DD/CCYY

     A.    Previous Pell Grant Obligation
$999,999,999.99
           Current Pell Grant Obligation
$999,999,999.99
           Adjustment (Increase + or Decrease -)
$099,999,999.99*

     B.    Previous Pell Grant Obligation/Payment
$999,999,999.99
           Current Pell Grant Obligation/Payment
$999,999,999.99
           Adjustment (Increase + or Decrease -)
$099,999,999.99*

     GAPS Drawdowns/Payments
$999,999,999.99
```

```
     Date of Last Activity in GAPS
MM/DD/CCYY

     YTD Total Unduplicated Recipients
        999,999
     YTD Pell Accepted Disbursement Amount
$999,999,999.99
     YTD GAPS Posted Disbursement Amount
$999,999,999.99
     YTD Administrative Cost Allowance
$999,999,999.99

     As of Batch ID
XXCCYY12345619990101123000


SECTION A VALUESAPPLY TO "OBLIGATE ONLY.
SECTION B VALUES APPLY TO "OBLIGATE/PAY ACCOUNTS".

     Electronic Statement of Account Page: 2


     ESOA DETAIL BATCH INFORMATION

     ADJUST                        ADJUST       ADJUST BATCH #
     REPORT DATE                   ADJUST AMOUNT   PROCESS DATE
            ADJUST DESCRIPTION
     ------------                  ----------------
     -----------                   --------------------------
     MM/DD/CCYY                    $999,999,999.99*
            MM/DD/CCYY             XXCCYY12345619990101123000

            XXXXXXXXXXXXXXXXXXXX
     MM/DD/CCYY                    $999,999,999.99*
            MM/DD/CCYY             XXCCYY12345619990101123000

            XXXXXXXXXXXXXXXXXXXX
     MM/DD/CCYY                    $999,999,999.99*
            MM/DD/CCYY             XXCCYY12345619990101123000

            XXXXXXXXXXXXXXXXXXXX
     MM/DD/CCYY                    $999,999,999.99*
            MM/DD/CCYY             XXCCYY12345619990101123000

            XXXXXXXXXXXXXXXXXXXX
     MM/DD/CCYY                    $999,999,999.99*
            MM/DD/CCYY             XXCCYY12345619990101123000
```

```
        XXXXXXXXXXXXXXXXXXXX
MM/DD/CCYY                  $999,999,999.99*
        MM/DD/CCYY          XXCCYY12345619990101123000

        XXXXXXXXXXXXXXXXXXXX
MM/DD/CCYY                  $999,999,999.99*
        MM/DD/CCYY          XXCCYY12345619990101123000

        XXXXXXXXXXXXXXXXXXXX
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Multiple Reporting Record (MRR)

GRANT HDR 0450#M200311309120030320043408
200303190000000000000000000000000
CE 165218407CH002105UNIVERSITY OF ROCKVILLE - GORGE
RIVER COUNTY 12 HILL CIRCLE
BALL MO032500002ROC L BRINK
530455151741045510 94brink@uroc.edu
039500003950000100018200208142003011700000000
000000010000000CEW SUSE 1984046984218407
BC 185218407CE002103UNIVERSITY OF BATTS AT COLLEGE
ROAD ADMINISTRATION BUILDING
COLLEGE HOUSE NJ207420001SUE D YOU
561314827930131495 87SDDYOU@ub.umk.edu
087500001945000100013400208342003022701975002003036 7
050000011000000CEW SUSE 1984046984218407
GRANT TLR
0450#M2003004365003032004340900000200000000000P0000020000000000
0P000000

The above is subject to change based on the new COD releases.

Pell Reconciliation File

O*N05TG53920 ,CLS=PGRC04OP,XXX,BAT=20030524728995800,NCT= 000000
GRANT HDR 0100#C2004001703200405051839 30
2004050500000000000000000000000000
ADAMS JOHN
E999923321AD2004001703009999233210017030100000040000004050020000 0
BUCHANAN JAMES
R999923301BU2004001703009999233010017030100000040000004050020000 0 Y
DAVIS JEFFERSON
T999923302DA2004001703009999233020017030100000040000004050020000 0
WASHINGTON GEORGE
D999923320WA2004001703009999233200017030100000040000004050020000 0
GRANT TLR
0100#C2004001703200405051839300000040000000000P0000040000000000P00000
0
O*N95TG53920 ,CLS=PGRC04OP,XXX,BAT=20030524728995800,NCT= 000000

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REPORT ID:
RUN DATE: 05/08/2003

U.S. DEPARTMENT OF EDUCATION
FEDERAL DIRECT LOAN PROGRAM
30-DAY WARNING REPORT
AWARD YEAR: 2002-03
FOR THE PERIOD ENDING 4/30/03 12:00AM

PAGE 1 OF 2
RUN TIME: 12:11AM

SCHOOL NAME: ROCKVILLE UNIVERSITY
ADDRESS: 1101 CAMDEN AVENUE
ROCKVILLE, MD 28052-6862

SCHOOL CODE: G03072

Loans Pending Booking Section:

DATA NEEDED

LOAN TYPE	LOAN ID	BORR NAME	DATE RCV'D	LOAN	PROM	DISB
P	142868100P03G03072101	MACKO, ELIAS	08/27/2002		Y	N
P	148825705P03G03072101	SAMPSON, DAVID	08/27/2002		Y	N
P	216155575P03G03072101	FIGUEROA, WILLARD	08/27/2002		Y	Y
P	218157194P03G03072101	GARTRELLI, ROBERT	09/04/2002		Y	N
P	394920688P03G03072101	ROSE, CHRIS	03/04/2003		Y	N
P	409654740P03G03072201	KATSORAS, PATRICK	03/04/2003		Y	N
TOTAL NUMBER PLUS		6				
S	213176211S03G03072101	BYROADE, DREW	03/13/2003	OK	N	Y
S	213199057S03G03072101	MACBIRDIE, JENNIFER	12/05/2002	OK	Y	Y
S	216908642S03G03072401	DUNAWAY, JACK	01/14/2003	OK	Y	N
S	216980409S03G03072101	BOYER, HEIDI	05/01/2003	OK	Y	Y
S	218170454S03G03072101	ABCOCK, ANNE	04/03/2003	OK	Y	Y
S	218513637S03G03072101	MCCORMICK, HEATHER	08/22/2002	OK	Y	Y
TOTAL NUMBER SUBSIDIZED		6				
U	152760394U03G03072101	BENSON, BRANDON	05/01/2003	OK	Y	Y
U	212190126U03G03072101	RAMSEY, MARK	12/05/2002	OK	Y	Y
U	213199057U03G03072101	MCBRADE, JULIE	12/05/2002	OK	Y	Y

Promissory Notes Without Origination Records Section:

LOAN ID	BATCH ID	DATE RECEIVED	NOTE AMOUNT
003803598M02G03072001	Batch ID Not Found	05/07/2003	$0
004824193M02G03072001	Batch ID Not Found	05/07/2003	$0
123723250S00G03072101	Batch ID Not Found	05/07/2003	$0
129724762M02G03072001	Batch ID Not Found	05/07/2003	$0
215047810M02G03072001	Batch ID Not Found	05/07/2003	$0
215179720M02G03072001	Batch ID Not Found	05/07/2003	$0
216155090S00G03072101	Batch ID Not Found	05/07/2003	$0
216908642M02G03072001	Batch ID Not Found	05/07/2003	$0
216949505M03G03072001	Batch ID Not Found	05/07/2003	$0
220172736M02G03072001	Batch ID Not Found	05/07/2003	$0

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REPORT ID:
RUN DATE: 05/08/2003

U.S. DEPARTMENT OF EDUCATION
FEDERAL DIRECT LOAN PROGRAM
30-DAY WARNING REPORT
AWARD YEAR: 2002-03
FOR THE PERIOD ENDING 4/30/03 12:00AM

PAGE 2 OF 2
RUN TIME: 12:11AM

SCHOOL NAME: ROCKVILLE UNIVERSITY
ADDRESS: 1101 CAMDEN AVENUE
ROCKVILLE, MD 28052-6862

SCHOOL CODE: G03072

Loans Pending Booking Section:

DATA NEEDED

LOAN TYPE	LOAN ID	BORR NAME	DATE RCV'D	LOAN	PROM	DISB
U	214130222U03G03072101	BRACE, LUCY	12/05/2002	OK	Y	N
U	216908642U03G03072401	DAVIDSON, JAQUELIN	01/14/2003	OK	Y	N
U	217081154U03G03072101	CURTSEY, ASHLEY	12/05/2002	OK	N	Y
U	220258188U03G03072101	MORRISEY, CATHERINE	04/10/2003	OK	Y	Y

TOTAL NUMBER UNSUBSIDIZED	7
GRAND TOTAL	19

Promissory Notes Without Origination Records Section:

LOAN ID	BATCH ID	DATE RECEIVED	NOTE AMOUNT
228318984M01G03072001	Batch ID Not Found	05/07/2003	$0
229352454S00G03072101	Batch ID Not Found	05/07/2003	$0
589867942M01G03072001	Batch ID Not Found	05/07/2003	$0
591041383M02G03072001	Batch ID Not Found	05/07/2003	$0

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Pell Year-To-Date

```
GRANT HDR 0350$Y20030020172003051903550800201900
20030519000000000000000000000000
0220044547HA20030020190022004454 7HA002017                    A 004000020020903
20020903 U 0403751 3118321001                                    00400HAMMEN
LAUREN       A220044547198307197Y0040000$020030020172003051903550820030519
D220044547HA200300201900              A010020000P20020903
$D20030020172003051903550 8
D220044547HA200300201900              A020020000P20030120
$D20030020172003051903550 8
0220211021BE20030020190022021102 1BE002017                    A 004000020020903
20020903 U 0703742 3118321001                                    00400BEAUCHAMP
LAUREN       B220211021198211187Y0040000$020030020172003051903550820030519
D220211021BE200300201900              A010020000P20020173
$D20030020172003051903550 8
D220211021BE200300201900              A020020000P20030120
$D20030020172003051903550 8
0532869736DR20030020190053286973 6DR002017                    A 006500020020829
20020829 U 0303314 3118321001
00650DRUMMOND'SAVAGE NICOLETTE
M532869736197703 12M0000000$020030020172003051903550820030519
05536197 10M0200300201900553619710M0002017                    A 028130020020903
20020903   0300203 3119505001                                    03750HOWELL
RICHARD      D553619710196507 06M0281300$020030020172003051903550820030519
D553619710M0200300201900              A010093800P20020909
$D20030020172003051903550 8
D553619710M0200300201900              A020187500P20030120
$D20030020172003051903550 8
```

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APPENDIX D
DL Best Practices Handout

Direct Loan Best Practices Handout

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Best Practices During the Processing Month

Organize – Finish What You Start

- Make sure that all electronic records (and paper notes) have been sent to the LOC, and that corresponding acknowledgements have been received and imported. Check EDConnect for files sent and received. You should identify all rejected transactions as they occur. Some schools find it helpful to run or use reports to identify their rejects (see Reports section).

- Consider managing timing issues so that you finish what you have started within that processing month.

- Check origination, promissory notes, and disbursements for records not in an "A" status.

- Keep track of unfinished business with your transmission log, production schedule, or other resources your school may have available.

Best Practices During the Processing Month

Use Your Reports

30-Day Warning Report (COD)

- Identifies unbooked loans – the origination record, promissory note, and/or first disbursement is missing.
- Does not show second or subsequent disbursements.
- Does not show adjustments.
- Inactive loans are not included (The LOC provides an inactive loan report.).

Booked Status Report (EDExpress only)

May be designed to:

- Identify the status of origination, promissory note, and disbursements for each borrower transaction.
- Allow schools to identify transactions that have not been completely processed.

Origination Status Report (EDExpress only)

May be designed to:

- Identify any loan origination records that are not in an "A" (accepted) status so a school can resolve any issues and resubmit the origination record to COD.
- Identify any PLUS Loans with credit problems. Compare against internal records.

Promissory Note Status Report (EDExpress only)

May be designed to:

- Identify the status of promissory notes. For example:
  - any promissory notes that are in a "P" (printed) status but not signed. This could indicate that you have **not** received a signed promissory note from the borrower or that the record has **not** been updated to a signed status.
  - records that have **not** been manifested but are in an "S" (signed) status. If there is no date in the manifest date field, then the record needs to be manifested and sent to the DL processor.
  - records that are in an "S" (signed) status and manifested but not acknowledged. The school will want to verify that the acknowledgement was pulled into their software to update records.

Best Practices During the Processing Month

Pending Disbursement Report (EDExpress/COD)

May be designed to:

- Identify any anticipated disbursements with no corresponding actual disbursements. Determine funding needs.
- Identify unrecorded disbursements.

Actual Disbursements – Booked And Unbooked Report (DL Tools)

May be designed to:

- Identify any actual disbursements that are unbooked.

  NOTE: Schools will want to quickly identify why the disbursement has not booked. There are three possibilities - the disbursement has been rejected, the promissory note is missing or rejected from COD, or the school has not imported the disbursement acknowledgement.

Loan Status Report (EDExpress)

May be designed to:

- Identify the origination, disbursement, and promissory note status of all loan transactions.

  NOTE: This is an excellent way to examine and identify any and all transactions that are outstanding on a macro level.

School/LOC Loan Totals Report (EDExpress)

May be designed to:

- Identify disbursements that are in the DL System but which have not been acknowledged by COD. The school should examine the disbursement status along with the COD Loan Total field.
- Identify disbursements that have not been sent, have not been acknowledged, or are rejected.

Monitor Your Cash Flow

- Reconcile all cash receipts and excess cash transactions with your internal records.
- Evaluate whether funds you are returning are excess cash or prepayments to a borrower's account and then send them to the correct address. DLB 99-74 explains the difference between excess cash and payments to borrower accounts.
- If you sent unused funds, make sure that the check was cashed, and check to make sure that any corresponding adjustments were made to a student's record.
- Make sure that cash receipts and unused funds are posted to the correct academic year.
- Use the monthly cash detail provided in the SAS to compare against your internal records.
- Ensure that all Direct Loan funds requested are either disbursed or returned to the Department.

Cash Summary Report

May be designed to:

- Identify on a summary level how much DL money has been received at your school and how much has been credited to student accounts.

  NOTE: This is an excellent report to identify, at any given point, a school's cash balance. This would also be useful to compare against the monthly SAS report.

Perform Internal Reconciliation

Match Business Office Records to Direct Loan System Records

- Improve automation between Financial Aid and Business Office systems.
- Form reconciliation and DL processing teams and conduct regular meetings. Compare the Financial Aid and Business Office systems based on totals and/or student detail.
- Develop procedures and a schedule for internal reconciliation and assign responsibilities.

Disbursement Comparison Report

May be designed to:

- Identify transactions in a school's Business Office system with transactions in the school's Direct Loan system.

  NOTE: This report is critical to identifying outstanding disbursements missing from either system.

Best Practices During the Processing Month

Best Practices During Reconciliation and Closeout

Know Where To Start

School Account Statement (SAS) Cash Summary

- Review the summary data for cash receipts, excess cash, and disbursements and compare these numbers to your school records. If you have separate Business Office and Financial Aid Office records, make sure you do a three-way comparison of this data.
- Make note of any discrepancies between your totals and the SAS Cash Summary. This should narrow the field for the detail analysis to those areas in which you have identified discrepancies.
- Keep in mind that each system may account for cash receipts, excess cash, and disbursement transactions in a slightly different way. You will need to take this into account when conducting your comparison of the three systems.

Know Where to Go Next

The SAS Cash And/Or Loan Detail

- Concentrate on areas where you found discrepancies in your summary totals.
- Use all available tools at your disposal, such as:
  - Bank statements and canceled checks
  - Business Office ledgers
  - Student files
  - Financial Aid and Business Office reports
  - Multiple years' SAS reports (this can help you identify issues that cross award years).

Common Reasons for Discrepancies

Keep in mind that there may be a variety of reasons for any discrepancy. The following list includes some of the most common reasons for a discrepancy to occur, but you may want to come up with some of your own:

- ***Cash Detail Issues:***
  - Timing of drawdowns (e.g., drawdown occurs at end of month, do not disburse until next month);
  - Drawdowns allocated to the wrong year (e.g., school drew down funds in 98-99, but disbursed in 99-00);
  - Drawdowns split between award years (e.g., school drew down lump sum amount, but disbursed across two different award years);
  - Excess cash sent back in the wrong year or used for a student in a different award year;
  - Excess cash returned that should have been a payment; and
  - Payment sent that should have been excess cash.

- ***Loan Detail Issues:***
  - Timing of booked loans (e.g., loan is disbursed at end of month, but the promissory note does not arrive at the DL processor until the following month);
  - Unsent/unacknowledged disbursement batches;
  - Disbursements recorded in your Business Office system but not in your Direct Loan system;
  - Unbooked records; and
  - School data loss.

Know Where to Finish

Monthly vs. Yearly Ending Cash Balances

You will know if you have completed your monthly reconciliation if:

- All differences between the SAS and your internal records have been documented.
- Timing issues have been identified and will be tracked for reconciliation in the next month's SAS.
- Any corrective actions have been taken to ensure that all prior month issues will reconcile in the following month.
- All reconciliation efforts have been documented for future reference and reviews.

Best Practices During the Processing Month

You will know if you have completed your yearly closeout process if:

- You have completed your reconciliation process as outlined above;
- All COD transactions should match up to all school Direct Loan system transactions and Business Office system transactions;
- Your ending cash balance on your SAS, and your internal school records are all equal to $0; and
- All actual disbursement records should be booked at COD, so that the SAS reflects a $0 unbooked balance.

Keep in mind that if you have been reconciling monthly, you should be ready to closeout at the end of your processing year. Make sure that all issues have been resolved, and that your balance is at $0 in all systems (Business Office, Direct Loan, COD).

Useful tools and resources for closing out a program year:

- SAS reports for all open program years;
- Cash information directly from the COD Web site;
- Cash receipts and Excess Cash Reports from the LOC (available from your CSR or CAM);
- Internal disbursement and booked loan reports, run at the loan and disbursement level;
- Internal cash reports, summary and detail;
- Written procedures for reconciliation and closeout;
- Format for documenting any issues and their resolutions (spreadsheet, action item list, other);
- Historical documentation of your monthly reconciliation process and any issues identified and resolved; and
- Your CAM or CSR are available for assistance.

APPENDIX E
FSA Assessment Tools

Effective Practices Form

1. **What is the primary focus of this effective practice?**
   - ☐ Responding to parent / student inquiries
   - ☐ Application processing
   - ☐ Aid packaging
   - ☐ Award disbursement
   - ☐ General information literature
   - ☐ Web-based communication
   - ☐ Inter-office communication
   - ☐ Intra-office team building
   - ☐ Staff training
   - ☐ Verification analysis utilizing the Quality Analysis (Verification) Tool
   - ☐ Other

2. **Does this effective practice relate to these Assessment Topics [check ALL that apply]?**
   - ☐ Student Eligibility
   - ☐ Awarding Aid
   - ☐ Satisfactory
   - ☐ Institutional Eligibility
   - ☐ Consumer Information
   - ☐ Recertification
   - ☐ Change In Ownership
   - ☐ Administrative Capabilities
   - ☐ Automation
   - ☐ General Fiscal Matters
   - ☐ Disbursing Aid
   - ☐ Reporting & Reconciling
   - ☐ Financial Responsibility & Cash Management
   - ☐ Return of Title IV
   - ☐ Perkins Due Diligence
   - ☐ Perkins Repayment

☐ Perkins cancellation

☐ Perkins Forbearance & Deferment

☐ **OTHER (Provide topic heading that is best related to this effective practice)**

3. **Description of Effective Practice Activities**

   a. What are the **goals** of this practice?

   b. Please provide a **two-or-three sentence description** of activities:

   c. In what **time frame** were these activities performed?

   d. What **computer system/program** requirements did this effective practice require?

   e. If **publications** on your campus needed to be revised as a result of implementation of this effective practice, please indicate how this was accomplished?

f. How many **Financial Aid Office staff members** did this effective practice involve?

g. How many **staff members from other offices** did this effective practice involve [Please indicate **which other offices** were engaged]?

h. Please estimate the **total implementation costs** for this practice (this information will provide colleagues with guidance concerning equipment, publications, staffing, etc.):

i. How did this practice **relate to and affect other key activities** in the financial aid office?

j. What were the desired **outcomes** for this practice? How did you **measure** them?

k. Were the **expected benefits** realized? Were there **unexpected benefits or costs**?

l. As you implemented this practice, what **mid-course corrections** did you 1) **consider**; and 2) **decide to make**?

m. Is this effective practice **an ongoing effort**?

n. If not an ongoing effort, **will this effective practice be repeated**?

4. **Institutional characteristics:**

Type of Institution:

- ☐ 2-year public
- ☐ 4-year public
- ☐ 4-year private
- ☐ Career college/private vocational

Size of Institution:

- ☐ Small (1-800 Financial aid recipients)
- ☐ Medium (801-10,000 financial aid recipients) or
- ☐ Large (10,001+ financial aid recipients)

Title IV Participation (check all that apply):

- ☐ Graduate Aid
- ☐ Federal SEOG
- ☐ FFEL Subsidized
- ☐ FFEL Un-Subsidized
- ☐ Undergraduate aid

- ☐ Federal Perkins Loan
- ☐ Direct Loan Subsidized
- ☐ Direct Loan Un-Subsidized
- ☐ Federal Pell Grant
- ☐ Plus Loan
- ☐ Distance Learning Pilot
- ☐ Experimental Site
- ☐ QA Program Participant

Thank you for completing this form.

Management Enhancement Worksheet

Enhancement Item: (Provide a detailed description of the policy, procedure or system that needs to be improved)

Enhancement Action: (Provide a detailed description of your plan of action to improve the above enhancement item)

Offices that need to be involved:

Lead Persons to Coordinate Management Enhancement Item:

Name:	**Name:**
Title:	**Title:**
Phone Number	**Phone Number:**

Near-Term Management Enhancement? ____**Yes** ____**No**

Long-Term Management Enhancement? ____**Yes** ____**No**

Implementation Start Date:

Implementation End Date:

Date Policies and Procedures Manual updated to ensure problem does not reoccur:

We recommend that your school annually review all management enhancements items to ensure that you continue to review the effectiveness all management enhancements identified by your school.

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APPENDIX F
Pre-Assessment QA, Game QA, Knowledge Check QA, and Post-Assessment QA

Cash Management Life Cycle Training Self-Assessment Questions and Answers

The cash management section of the Code of Federal Regulations Part 668, Subpart K discusses requesting, _____, _____, and _____of Title IV funds.

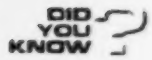
Answer: Disbursing, Maintaining, and Reconciling

The Cash Management Requirements are not applicable to the State Grant and Scholarship Programs, because, unlike other FSA Programs, the State Grant and Scholarship Programs are administered under rules established by the states.

To learn more on cash management, read Volume 2, Chapter 5, in the *Federal Student Aid Handbook, 2002-03*.

The online "FSA Assessment" tool (as it relates to cash management) is designed to:

Answer: Review regulations and requirements, and allow schools to review and assess its current practices and to determine whether it needs to correct any of its current practices/procedures.

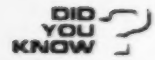


For more than 15 years, QA schools have shared "results from the lab" and helped develop **Tools for Schools**, including the new on-line self-assessment, to enhance the management of student aid delivery.

At the FSA Assessment site you can learn how the tool assists schools in other areas such as student eligibility and meeting campus needs.

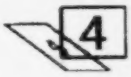
Beginning in program year 2002-2003, what Web site is used to verify batch status, check account balances, submit data requests, and enter or change schools' data records for Pell and Direct Loans?

Answer: COD



The COD system receives information about relationships between schools, third party servicers, and/or vendors through the Student Aid Internet Gateway (SAIG) and can allow users within a third-party or vendor organization to access your schools information as long as the relationship exists in SAIG.

General information regarding COD may be obtained by reviewing the COD technical reference at:
http://www.sfadownload.ed.gov/CODTechRef0304.htm



During reconciliation of Title IV programs, schools should compare:

Answer: Their bank records to GAPS, their bank records to school's internal business ledger balances, and internal student record totals of the Financial Aid Office to internal student Business Office totals and those cash and disbursement totals to COD/ED totals.

A school must ensure that its administrative procedures for FSA Title IV Programs include a system of internal checks and balances that separates the functions of authorizing payment and disbursing or delivery of funds, so that no ONE person or ONE office performs both functions. Small schools are not exempt from this rule even though they may have limited staff.

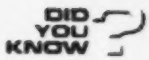
All schools must maintain a bank account into which ED transfers Title IV funds. What phrase must schools use to identify that Title IV funds are maintained in the account?

Answer: Federal funds

The requirement that a school file a UCC-1 statement when an account name does not include the phrase "FEDERAL FUNDS" was established to reduce the possibility that a school could misrepresent federal funds as its own funds to obtain a loan or secure credit.

The dollar threshold at which interest earned on Title IV FSA funds must be returned to the Department of Education is:

Answer: $250

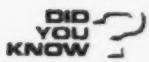


If a school chooses to deposit Title IV program funds into an investment account, the investment account must consist predominantly of low-risk income-producing securities.

For more information about Interest Bearing or Investment Accounts you should review the *Federal Student Aid Handbook* 2002-03, Volume 2, Chapter 5, pages 2-77 and 2-78.

Under allowable excess cash tolerances, schools may maintain cash for how many total days?

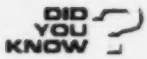
Answer: 10 days



A school is required to disburse funds to a student within three business days. Some circumstances that may prevent a school from disbursing within that time period are: changes in a student's enrollment status, the student's failure to attend classes as scheduled, or a change in the student's award as a result of verification.

A school can qualify for excess cash tolerance during a "period of peak enrollment" if it has an excess cash balance of less than 3% of the school's total prior-year drawdowns (A school can also qualify during other periods). A period of peak enrollment occurs when at least _____ percent of the school's students start classes during a given 30-day period.

Answer: 25 percent



For any period other than a period of peak enrollment, a school can maintain an excess cash balance if the excess cash balance is less than one percent of the school's prior-year drawdowns.

The Multiple Reporting Record (MRR) provided by COD:

Answer: Advises schools of potential concurrent enrollment problems when the same student is reported as attending different campuses, but the enrollment dates are within 30 days of each other.

The Multiple Reporting Record (MMR) can be generated by COD or requested by a school and is provided in the form of a fixed length file, PDF, or Excel format.

For Title IV funds, the school must make a late disbursement to the student no later than _____ days after the date the student becomes ineligible.

Answer: 120 days

Institutions can request permission from the Department to make a late disbursement beyond 120 days if the reason for the delay was not the fault of the student.

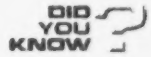
The Pell Year-to-Date (YTD) file:

Answer: Shows the number of recipients at a school; provides the number of awards and disbursement records that were accepted, corrected, and rejected by COD during that award year.

The YTD file can be used to replace a corrupt database with accepted data in the COD system.

The COD School Account Statement (SAS) report:

Answer: Replaces the 732 Report and the Monthly DL School Account Statement.



The School Account Statement (SAS) electronic file may be imported and formatted for printing to look similar to a bank statement.

By importing the SAS report into DL Tools, you may run a comparison against your imported mainframe loan database or the EDExpress loan detail database. In addition, you may run a comparison against your imported cash file or the cash detail data in DL Tools if you are using the Tools cash management function.

Students receive a Pell Grant amount based on the Scheduled _____ for a given cost of attendance and the expected family contribution.

Answer: Award

If you are looking for general Pell Grant payment information, such as your school's current authorization level or if you want to request specific Pell Grant data or documents, you may contact Pell Customer Service at 1-800-4-PGRANT (1-800-474-7268).

What is the best resource for schools with personnel new to Title IV programs who may require training on FSA terminology or activities?

Answer: FSA COACH

DID YOU KNOW

FSA Coach is organized around the functions carried out in a school's Financial Aid Office and the people who perform these functions.

With the assistance of Financial Aid professionals, FSA has designed _____, an online tool with a series of self-assessment modules to help schools enhance their management procedures.

Answer: The on-line "FSA Assessment" tool helps schools enhance their management procedures.

DID YOU KNOW

"FSA Assessment" is an online tool with a series of self-assessment modules to help schools enhance their management procedures in four general categories:

- **Student issues** (student eligibility, verification, satisfactory academic progress, etc.)
- **School issues** (institutional eligibility, default management, consumer information requirements, etc.)
- **Managing funds** (disbursing aid, reporting and reconciling, return of Title IV funds, etc.)
- **Campus needs** (administrative capabilities, required electronic processes, ADP procedures, etc.)

CMT Trivial Pursuit Game Questions

Show Me the Money

1. The entity that has sole discretion to determine the payment method under which Title IV funds are given to a school is_____.

   The Department of Education (ED)

2. The Department of Education (ED) provides Federal Pell Grant, Direct Loan (DL), and Campus-Based Program funds to a school by various payment methods. Name two of the payment methods.

   Advance payment
   Reimbursement
   Just-in-time
   Cash monitoring

3. A school may request a payment from ED prior to disbursing funds to eligible students and parents, if the request is not for more than its immediate need. Identify this payment method.

   Advance Payment

4. Under COD, funds are automatically sent to a school, with no draw down required, based upon accepted actual disbursements. What funding method is this?

   Pushed Cash

5. The regulation that specifically covers requesting Title IV funds appears in section _____.

   43.654

   668.162

   768.132

6. When a school requests funds from the Grants Administration and Payment System (GAPS), it must identify the amount of funds requested using the specific _____ and _____ that ED assigned to authorize funds for that school.

   Program (and) Grant Award Number

7. Name the two electronic methods that ED uses to transfer funds to schools.

   ACH

   Fedwire

8. Under the Federal Family Education Loan (FFEL) program, federal statute requires that proceeds from Stafford Loans and Parent Loans for Undergraduate Students (PLUS) loans be disbursed directly to schools for delivery to borrowers. Name the three acceptable methods a lender may use to disburse FFEL funds to a school.

   Master check

   Individual check

   EFT

ID the Dough

9. Cash Management regulations in 34 CFR 688, Subpart K contain guidelines schools must follow to adequately manage federal funds. Title IV funds must be maintained in what type of account?

   Bank or investment

10. A school is not required to maintain a separate bank account for Federal Student Aid (FSA) program funds except if ED determines that the school's accounting and internal control systems do not identify what?

    Cash balances of Title IV program funds maintained in the school's bank account as readily as if those funds were maintained for each program in a separate account.

    The interest or investment revenue adequately earned on Title IV program funds maintained in the school's bank account.

11. If a private non-profit or proprietary school's bank account title does not include the term "Federal Funds," what form must be filed?

    UCC-1

12. In general, a school is not required to maintain an interest-bearing account for Title IV funds (DL, Pell Grant, FSEOG, and FWS) if it drew down less than a specific amount in the previous award year and it anticipates drawing down less than this same amount in the current award year. What is the dollar amount?

    3 million

    6 million

    10 million

    1 million

13. Schools must maintain Title IV funds in an account that is _____ **(federally)** insured or secured by _____ **(collateral)** of value equal to the amount of Title IV program funds in the account.

14. True or False: All interest or income earned from the Federal Perkins Loan Fund is submitted once a year to the Department of Education (ED).

    True

    False. A school must keep any interest earned on Perkins Loan funds for transfer to the Perkins Loan Fund.

15. A school must maintain its financial records in accordance with the record-keeping requirements of:

    34 CFR 668.24

    34 CFR 692.36

    34 CFR 690.28

16. How often must a school remit to ED the interest or investment revenue earned on Title IV program funds maintained in an interest-bearing or investment account?

    Annually

    Semi-annually

    Quarterly

Dishing Out Dollars

17. Title IV funds are considered to have been disbursed when funds are credited to a student's account or are paid directly to a student/parent. In what two other ways may a school disburse funds directly to the student or parent borrower?

    Release a check provided to the school by the FFEL lender.

    Disburse cash and obtain a signed receipt from the student or lender.

    Issue a check payable to and requiring the endorsement of the student or parent.

    Initiate an electronic funds transfer to the student's or parent's bank account.

18. How must the school notify the borrower whenever the school credits the student's school account with Title IV funds?

    In writing

    By phone

    In person

19. Unless a student is subject to the 30-day delayed disbursement requirement, schools may credit FSA funds up to how many calendar days before the first day of classes?

    10

    13

    14

20. When a credit balance occurs after crediting a student's account with Title IV funds, a school must pay the credit balance directly to the student as soon as possible but no later than how long after the balance occurs?

    7 calendar days

    14 calendar days

    7 business days

    14 business days

21. First-time, first-year borrowers must have their FFEL or Direct Loan funds delayed for how many calendar days after the beginning of the payment period?

    30 days

22. True or False: All schools with a cohort default rate or a weighted average cohort default rate of less than 10 percent for each of the three most recent fiscal years for which data is available for FFEL and DL programs are not subject to the delayed disbursement rules for first-time, first-year borrowers.

    True

    False. This exemption expired on September 30, 2002.

23. Pell Grant disbursements are made by the _____ period.

    Class

    Payment

    Whole

24. Immediate need is defined as the amount of Title IV funds a school needs to make disbursements to students within how many business days following the date the school receives the funds?

    One

    Two

    Three

25. Generally, if a school credits a student's account with Title IV program funds, it may apply those funds only to allowable charges. Name the allowable charges.

    Tuition and fees

    Board, if the student contracts with the school for board

    Room, if the student contracts with the school for room

26. If a school obtains a student's or parent's written authorization to use Title IV funds to pay other costs, these costs may include what?

Institutional charges that were incurred by the student for education-related activities

Minor prior-year charges, if these charges are less than $100 or if the payment of these charges does not, or will not, prevent the student from paying their current educational costs

27. True or False: The Department of Education considers any amount of Title IV funds over $500 that an institution does not disburse to students or parents by the end of the third business day to be excess cash.

True

False. Excess cash is any amount of FSA program funds that a school does not disburse to students. Funds received under the Just-in-Time payment method are excluded.

Unraveling the Mystery

28. Schools that participate in Title IV programs must have a compliance audit and a financial statement audit performed by whom?

Internal institutional auditor

Institutional attorney

Independent auditor/CPA

29. According to federal requirements, a school's fiscal records must provide a clear audit trail of all Title IV fund transactions that demonstrates that funds were_____, _____, _____, and (if necessary) _____.

That funds were received, managed, disbursed, and (if necessary) returned.

30. When a school credits a student's account with Perkins Loan funds, Direct Loan funds, or FFEL program funds received by electronic funds transfer (EFT) or master check, it must notify the student or parent (for PLUS loan borrowers), in writing no earlier than _____days before and no later than _____ days after crediting the student's account.

30 (days before and no later than) 30 days

20 (days before and no later than) 20 days

10 (days before and no later than) 10 days

31. Generally, schools should perform what monthly activity for Direct Loans, FSEOG, Perkins Loans, and Federal Work-Study?

Reconciliation

32. True or False: A school must confirm, by retaining a receipt, when it sends an electronic notice to a student borrower informing them that Title IV loan funds were credited to the student's account.

True

False. Based on the new regulations of November 1, 2002 this is no longer a requirement.

33. The student who has notified the school to cancel a loan may never rescind that notification.

True

False. The student may modify his/her cancellation request.

34. Identify the Web site that provides all of the following information for Pell Grants and Direct Loans:

- Up-to-date information about funds drawn down by school;
- Easy comparison of accepted student level disbursement records to funds;
- Easy view of current funding level;
- GAPS activity; and
- Self assessment of cash management compliance.

COD Web site: https://cod.ed.gov

35. An institution _____ inform a student regarding the outcome of any cancellation request.

Does not need to

May

Must

This and That

36. What is one of the best comprehensive sources of information on policies and administration of Title IV funds for Financial Aid Officers?

    Federal Student Aid Handbook

37. Name the federal monetary entity that dispatches DL funds to schools when instructed by ED.

    Federal Reserve Bank

38. Under Direct Loans, if a school performs a Return of Title IV (R2T4) calculation and more than 120 days have elapsed from the disbursement date, it must return these funds as what?

    Excess cash

39. The student earns 100% of their Title IV funds after what point of the payment period or period of enrollment?

    50%

    40%

    60%

40. True or False: A week of instruction for all programs occurs within a consecutive seven-day period and has at least one day of regularly scheduled instruction or examinations, or after the last scheduled day of classes for a term, has at least one day of study for final examinations.

    True. Optional implementation as of November 1, 2002; requirement July 1, 2003 based on new regulations November 1, 2002.

    False

41. True or False: Regulations governing the Return of Title IV funds prohibit schools from developing their own refund policy.

    True

    False. The regulations do not dictate a school's refund policy.

42. Under the Common Origination and Disbursement (COD) system, a school receives an initial Current Funding Level (CFL) for Pell Grants and Direct Loans. These CFLs are increased based upon receipt and acceptance of _____ _____ _____ by COD?

Actual disbursement records

Knowledge Check Questions

Module 2

1. True or False: All schools will become COD Full Participants for the 2005-06 award year.

   True

2. Where can you access key information available with new releases and upgrades? https://cod.ed.gov **or COD Home page**

3. True or False: Schools may process as a Full Participant for one program and as a Phase-In Participant for the other.

   True

4. What does the COD Technical Reference include?

   Functional and technical information for the COD system, including record layouts, message classes, edit codes, print specifications, forms, and reports.

5. How is COD beneficial for reconciliation?

   COD allows the school to track and monitor drawdowns, disbursement reporting, and data corrections

Knowledge Check Questions

Module 3 (Questions from page 27 of the Participant's Guide)

1. What is the URL for the COD Web site? https://cod.ed.gov

2. What COD screens help you review Cash and Batch activity?

   Cash Activity screen, Cash Summary screen, and Batch Activity screen.

3. What information can be found on the Cumulative Summary Table in the GAPS Activity Report?

   It contains a school's summary drawdown activity and authorization activity and authorization changes from the start of the award to the current date.

4. What information is found on the record detail of the GAPS Activity report?

   It shows individual detail transactions for the Cumulative Summary Table in chronological order with authorization changes, drawdowns, refunds, and adjustments for each award.

5. How many user IDs are available per school for view-only access for GAPS?

   Five (5)

Knowledge Check Questions

Module 3 (Questions from page 41 of the Participant's Guide)

1. Which tool would be most useful in accessing yearly totals that include the total amount awarded, total disbursed, and the number of recipients for the Pell Grant and Direct Loan programs?

   ☐ FISAP
   ☐ DL Tools
   ☐ COD

2. Which tool would be most useful in recording cash receipts and returns of excess cash for the Direct Loan Program?

   ☐ GAPS
   ☐ **DL Tools**
   ☐ COD

3. What does the acronym UD stand for?

   Unprocessed Deobligation

4. How is an unprocessed deobligation created?

   A UD is created if the obligation amount of a fully disbursed award is subsequently reduced by an ED Program Office.

5. On which two reports can you find the "unprocessed deobligation" column?

   Create Payment Request and **Award Detail Report**

Cash Management Tic Tac Toe

HELP	Terminology	DL Tools
Reconciliation	COD	Reports
GAPS	Funding	Pot Luck

CMT Tic Tac Toe Game Questions

HELP

1. 34 CFR, Subpart K deals with what?

   Cash Management

2. What is the best written comprehensive sources of information on policies and administration of Title IV funds for Financial Aid Officers?

   Federal Student Aid Handbook

3. Record layouts, message classes, and edit codes for COD may be found where?

   The COD Technical Reference

4. Where can information on COD new releases and updates be found?

   From the COD home page https://cod.ed.gov

Terminology

1. A common record submitted to the COD system in order to request or substantiate funding is called an **Actual Disbursement Record**.

2. A COD funding method based on accepted actual disbursements submitted by the school, without requiring a drawdown request is **Pushed Cash.**

3. When a school receives a request from ED to return unsubstantiated funds previously drawn down, this is known as **Call for Cash.**

4. If the obligation amount of a fully disbursed award is subsequently reduced by an ED Program Office, an **Unprocessed Deobligation (UD)** is created.

DL Tools

1. The DL Tools software may be downloaded at

   http://fsadownload.ed.gov

2. True or False: The DL Tools software rebuilds grant and disbursement data in EDExpress.

   False. It rebuilds loan and disbursement data.

3. Before comparing any data in DL Tools you must first import a **SAS report**.

4. DL Tools is one of the components of the EDE Suite and the application fully integrates with and has the same look and feel as **EDExpress.**

Reconciliation

1. True or False: The reconciliation requirements have not changed since the implementation of COD.

   True

2. Generally, schools should perform **reconciliation** on a monthly basis for Direct Loans, FSEOG, Perkins Loans, and Federal Work-Study.

3. The view-only functionality in GAPS assists schools with reconciliation by allowing schools to **view** the status of their accounts in the Business Office.

4. During the reconciliation process, COD allows for easy comparison of **disbursements** and **drawdowns.**

COD

1. True or False: The Common Origination and Disbursement (COD) process is a streamlined method for processing Direct Loan and Perkins Loan information.

   False. It processes Direct Loan and Pell Grant information.

2. COD Full Participants use the common record in **XML** format to submit Pell Grant and/or Direct Loan origination and disbursement data.

3. What are the two COD funding methods?

   Advance Payment and **Pushed Cash**

4. True or False: The COD system represents a migration to a program-centric system.

   False. It represents a migration to a student-centric system.

Reports

1. The two primary types of multiple reporting conditions are **concurrent enrollment** and **potential overaward** situations.

2. True or False: The ESOA is an account statement from GAPS that is used for Advance Payment schools only.

   False. Pushed Cash may also receive it.

3. The following reports: YTD Record, MRR, and Reconciliation File assist you in managing the **Pell Grant** program.

4. If the school wishes to receive the SAS with yearly information, they must do so by requesting a change to their **default setting** through a COD Customer Service Representative.

GAPS

1. The GAPS system provides schools with management support services as well as authorization amounts, cumulative drawdowns, current award balances, and payment history.

2. True or False: The financial aid office has the ability to access GAPS and view available balances.

   True. They have the ability to view balances but may not inititate payment requests or refunds.

3. For the Pell Grant Program, if the obligation amount of a fully disbursed award is subsequently reduced by ED, an unprocesssed deobliation is created.

4. GAPS supports planning awards, obligation of award authorizations, disbursing funds, and final close-out for Title IV.

Funding

1. True or False: Advance Payment schools may not choose to have COD initiate drawdowns on their behalf.

   False. Advance Payment schools may choose to have COD initiate drawdowns.

2. From the disbursement records, COD sends information to GAPS to trigger the funding process.

3. In COD, actual accepted disbursement transactions trigger funding under what funding method?

   Pushed Cash

4. Advance Payment and Pushed Cash are two funding methods in COD.

Pot Luck

1. True or False: DL Tools is stand-alone software for mainframe users and not for EDExpress users.

   False. It may be used by either mainframe or EDExpress users.

2. The GAPS **Activity Report** is similar to a bank statement in that it contains summary and detail level draw down activity and authorization changes.

3. In the COD School Summary section, schools may **update** some data in the Financial Aid Contact(s) area.

4. Full participants can submit **one** record to report both a student's Pell Grant and DL award with all of the student's data available.

Post Self-Assessment

Congratulations! You have finished the course.
Please take a few minutes to complete the following questions. The purpose of this post self-assessment is to test the effectiveness of the course materials.

1. When the COD system notifies a school of potential Pell overaward, what is this process called?

   POP (Potential Overaward Project)

2. When schools submit an electronic origination record through the COD system, the school's review and reconciliation of the _____ file is the foundation of a successful reconciliation plan.

   Acknowledgement

3. In the COD system, if a Pell origination record is rejected, the school then must submit a disbursement record.

   ☐ True
   ☐ **False**

4. The Multiple Reporting Record (MRR) may be automatically generated by the COD system or requested by the school.

   ☐ **True**
   ☐ False

5. One purpose of the FSA Assessment Tool is for schools to be able to share effective practices. List two more purposes:

   - **Help prevent potential compliance issues**
   - **Implement management enhancements**

6. Which category of the FSA Assessment Tool relates to Cash Management?

   ☐ Students
   ☐ Schools
   ☐ **Managing Funds**
   ☐ Campus Needs

7. Which type of assessment within the FSA Assessment Tool do you have to download and complete offline?

   ☐ Interactive
   ☐ **Non-interactive**

8. When using the FSA Assessment Tool, which worksheet can a school use to note any policies and/or procedures that need improvement?

   Management Enhancement

9. A classic reconciliation error can occur when a disbursement record is corrected or rejected by the COD system.

   ☐ True
   ☐ **False**

10. Schools do not use GAPS when they reconcile Title IV funds; however, they do use the COD system.

    ☐ True
    ☐ **False**

11. The GAPS system does not allow schools "view-only" access to screens.

    ☐ True
    ☐ **False**

12. What is created when a fully disbursed Pell Grant award is subsequently reduced by an ED Program Office?

    Unprocessed Deobligation or "UD"

13. DL Tools has no cash management functionality.

    ☐ True
    ☐ **False**

14. The Year-to-Date record can be used to replace a corrupt database or to reconcile records with accepted data on the COD system.

    ☐ **True**
    ☐ False

15. GAPS is used to view a school's DL/Pell yearly totals or cash activity.

    ☐ True
    ☐ **False**

APPENDIX G
Cash Management Regulations

34 CFR – CHAPTER VI - PART 668

Subpart K – Cash Management

§668.161 Scope and purpose.

(a) *General.* (1) This subpart establishes the rules and procedures under which a participating institution requests, maintains, disburses, and otherwise manages title IV, HEA program funds. This subpart is intended to --

(i) Promote sound cash management of title IV, HEA program funds by an institution;

(ii) Minimize the financing costs to the Federal Government of making title IV, HEA program funds available to a student or an institution; and

(iii) Minimize the costs that accrue to a student under a title IV, HEA loan program.

(2) The rules and procedures that apply to an institution under this subpart also apply to a third-party servicer.

(3) As used in this subpart --

(i) The title IV, HEA programs include only the Federal Pell Grant, FSEOG, Federal Perkins Loan, FWS, Direct Loan, and FFEL programs;

(ii) The term "parent" means a parent borrower under the PLUS programs;

(iii) With regard to the FFEL Programs, the term "disburse" means the same as deliver loan proceeds under 34 CFR part 682 of the FFEL Program regulations; and

(iv) A day is a calendar day unless otherwise specified.

(4) *FWS Program.* An institution must follow the disbursement procedures in 34 CFR 675.16 for paying a student his or her wages under the FWS Program instead of the disbursement procedures in §§668.164(b) through (g) and 668.165.

(b) *Federal interest in title IV, HEA program funds.* Except for funds received by an institution for administrative expenses and for funds used for the Job Location and Development Program under the FWS Programs, funds received by an institution under the title IV, HEA programs are held in trust for the intended student beneficiaries and the Secretary. FFEL program funds are also held in trust for the lenders and guaranty agencies, in addition to the student beneficiaries and the Secretary, under 34 CFR 682.207. The institution, as a trustee of Federal funds, may not use or hypothecate (*i.e.*, use as collateral) title IV, HEA program funds for any other purpose. (Authority: 20 U.S.C. 1094)

[61 FR 60603, Nov. 29, 1996, as amended at 64 FR 58291, Oct. 28, 1999]

§668.162 Requesting funds.

(a) *General.* (1) The Secretary has sole discretion to determine the method under which the Secretary provides title IV, HEA program funds to an institution. In accordance with procedures established by the Secretary, the Secretary may provide funds to an institution under the advance, reimbursement, just-in-time, or cash monitoring payment methods.

(2) Each time an institution requests funds from the Secretary, the institution must identify the amount of funds requested by program and fiscal year designation that the Secretary assigned to the authorization for those funds.

(b) *Advance payment method.* Under the advance payment method --

(1) An institution submits a request for funds to the Secretary. The institution's request for funds may not exceed the amount of funds the institution needs immediately for disbursements the institution has made or will make to eligible students and parents;

(2) If the Secretary accepts that request, the Secretary initiates an electronic funds transfer (EFT) of that amount to a bank account designated by the institution; and

(3) The institution must disburse the funds requested as soon as administratively feasible but no later than three business days following the date the institution received those funds.

(c) *Just-in-time payment method.* Under the just-in-time payment method --

(1) For each student or parent that an institution determines is eligible for title IV, HEA program funds, the institution transmits electronically to the Secretary, within a timeframe established by the Secretary, records that contain program award information for that student or parent. As part of those records, the institution reports the date and amount of the disbursements that it will make or has made to that student or that student's parent;

(2) For each record the Secretary accepts for a student or parent, the Secretary provides by EFT the corresponding disbursement amount to the institution on or before the date reported by the institution for that disbursement;

(3) When the institution receives the funds for each record accepted by the Secretary, the institution may disburse those funds based on its determination at the time the institution transmitted that record to the Secretary that the student is eligible for that disbursement; and

(4) The institution must report any adjustment to a previously accepted record within the time established by the Secretary in a notice published in the FEDERAL REGISTER.

(d) *Reimbursement payment method.* Under the reimbursement payment method --

(1) An institution must first make disbursements to students and parents for the amount of funds those students and parents are eligible to receive under the Federal Pell Grant, Direct Loan, and campus-based programs before the institution may seek reimbursement from the Secretary for those disbursements. The Secretary considers an institution to have made a disbursement if the

institution has either credited a student's account or paid a student or parent directly with its own funds;

(2) An institution seeks reimbursement by submitting to the Secretary a request for funds that does not exceed the amount of the actual disbursements the institution has made to students and parents included in that request;

(3) As part of the institution's reimbursement request, the Secretary requires the institution to --

(i) Identify the students for whom reimbursement is sought; and

(ii) Submit to the Secretary or entity approved by the Secretary documentation that shows that each student and parent included in the request was eligible to receive and has received the title IV, HEA program funds for which reimbursement is sought; and

(4) The Secretary approves the amount of the institution's reimbursement request for a student or parent and pays the institution that amount, if the Secretary determines with regard to that student or parent that the institution --

(i) Accurately determined the student's eligibility for title IV, HEA program funds;

(ii) Accurately determined the amount of title IV, HEA program funds paid to the student or parent; and

(iii) Submitted the documentation required under paragraph (d)(3) of this section.

(e) *Cash monitoring payment method.* Under the cash monitoring payment method, the Secretary provides title IV, HEA program funds to an institution under the provisions described in paragraph (e)(1) or (e)(2) of this section. Under either paragraph (e)(1) or (e)(2) of this section, an institution must first make disbursements to students and parents for the amount of title IV, HEA program funds that those students and parents are eligible to receive, before the institution --

(1) Submits a request for funds under the provisions of the advance payment ethod described in paragraph (b) of this section, except that the institution's request may not exceed the amount of the actual disbursements the institution made to the students and parents included in that request; or

(2) Seeks reimbursement for those disbursements under the provisions of the reimbursement payment method described in paragraph (d) of this section, except that the Secretary may modify the documentation requirements and review procedures used to approve the reimbursement request. (Authority: 20 U.S.C. 1094)

[61 FR 60603, Nov. 29, 1996, as amended at 62 FR 62876, Nov. 25, 1997]

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§668.163 Maintaining and accounting for funds.

(a)(1) *Bank or investment account.* An institution must maintain title IV, HEA program funds in a bank or investment account that is Federally insured or secured by collateral of value reasonably equivalent to the amount of those funds.

(2) For each bank or investment account that includes title IV, HEA program funds, an institution must clearly identify that title IV, HEA program funds are maintained in that account by --

(i) Including in the name of each account the phrase "Federal Funds"; or

(ii)(A) Notifying the bank or investment company of the accounts that contain title IV, HEA program funds and retaining a record of that notice; and

(B) Except for a public institution, filing with the appropriate State or municipal government entity a UCC-1 statement disclosing that the account contains Federal funds and maintaining a copy of that statement.

(b) *Separate bank account.* The Secretary may require an institution to maintain title IV, HEA program funds in a separate bank or investment account that contains no other funds if the Secretary determines that the institution failed to comply with --

(1) The requirements in this subpart;

(2) The recordkeeping and reporting requirements in subpart B of this part; or

(3) Applicable program regulations.

(c) *Interest-bearing or investment account.* (1) An institution must maintain the Fund described in §674.8(a) of the Federal Perkins Loan Program regulations in an interest-bearing bank account or investment account consisting predominately of low-risk, income-producing securities, such as obligations issued or guaranteed by the United States. Interest or income earned on Fund proceeds are retained by the institution as part of the Fund.

(2) Except as provided in paragraph (c)(3) of this section, an institution must maintain Direct Loan, Federal Pell Grant, FSEOG, and FWS program funds in an interest-bearing bank account or an investment account as described in paragraph (c)(1) of this section.

(3) An institution does not have to maintain Direct Loan, Federal Pell Grant, FSEOG, and FWS program funds in an interest-bearing bank account or an investment account for an award year if --

(i) The institution drew down less than a total of $3 million of those funds in the prior award year and anticipates that it will not draw down more than that amount in the current award year;

(ii) The institution demonstrates by its cash management practices that it will not earn over $250 on those funds during the award year; or

(iii) The institution requests those funds from the Secretary under the just-in-time payment method.

(4) If an institution maintains Direct Loan, Federal Pell Grant, FSEOG, and FWS program funds in an interest-bearing or investment account, the institution may keep the initial $250 it earns on those funds during an award year. By June 30 of that award year, the institution must remit to the Secretary any earnings over $250.

(d) *Accounting and internal control systems and financial records.* (1) An institution must maintain accounting and internal control systems that --

(i) Identify the cash balance of the funds of each title IV, HEA program that are included in the institution's bank or investment account as readily as if those program funds were maintained in a separate account; and

(ii) Identify the earnings on title IV, HEA program funds maintained in the institution's bank or investment account.

(2) An institution must maintain its financial records in accordance with the provisions under §668.24.

(e) *Standard of conduct.* An institution must exercise the level of care and diligence required of a fiduciary with regard to maintaining and investing title IV, HEA program funds. (Authority: 20 U.S.C. 1094)

§668.164 Disbursing funds.

Link to an amendment published at 67 FR 67073, Nov. 1, 2002.

(a) *Disbursement.* (1) Except as provided in paragraph (a)(2) of this section, an institution makes a disbursement of title IV, HEA program funds on the date that the institution credits a student's account at the institution or pays a student or parent directly with --

(i) Funds received from the Secretary;

(ii) Funds received from a lender under the FFEL Programs; or

(iii) Institutional funds used in advance of receiving title IV, HEA program funds.

(2) If, earlier than 10 days before the first day of classes of a payment period, or for a student subject to the requirements of §682.604(c)(5) or §685.303(b)(4) earlier than 30 days after the first day of the payment period, an institution credits a student's institutional account with institutional funds in advance of receiving title IV, HEA program funds, the Secretary considers that the institution makes that disbursement on the 10th day before the first day of classes, or the 30th day after the beginning of the payment period for a student subject to the requirements of §682.604(c)(5) or §685.303(b)(4).

(b) *Disbursements by payment period.* (1) Except as provided in paragraph (b)(2) of this section, an institution must disburse title IV, HEA program funds on a payment period basis. Except as provided in paragraph (g) of this section, an institution may disburse title IV, HEA program funds to a student or parent for a payment period only if the student is enrolled for classes for that payment period and is eligible to receive those funds.

(2) The provisions of paragraph (b)(1) of this section do not apply to the disbursement of FWS Program funds.

(3) For a student enrolled in an eligible program at an institution that measures academic progress in clock hours, in determining whether the student completes the clock hours in a payment period, an institution may include clock hours for which the student has an excused absence if --

(i) The institution has a written policy that permits excused absences; and

(ii) The number of excused absences under the written policy for purposes of this paragraph does not exceed the lesser of --

(A) The policy on excused absences of the institution's accrediting agency or, if the institution has more than one accrediting agency, the agency designated under 34 CFR part 600.11(b);

(B) The policy on excused absences of any State agency that licenses the institution or otherwise legally authorizes the institution to operate in the State; or

(C) Ten percent of the clock hours in the payment period.

(4) For purposes of paragraph (b)(3) of this section, an "excused absence" is an absence that a student does not have to make up.

(c) *Direct payments.* An institution pays a student or parent directly by --

(1) Releasing to the student or parent a check provided by a lender to the institution under an FFEL Program;

(2) Issuing a check or other instrument payable to and requiring the endorsement or certification of the student or parent. An institution issues a check by --

(i) Releasing or mailing the check to a student or parent; or

(ii) Notifying the student or parent that the check is available for immediate pickup;

(3) Initiating an electronic funds transfer (EFT) to a bank account designated by the student or parent; or

(4) Dispensing cash for which an institution obtains a signed receipt from the student or parent.

(d) *Crediting a student's account at the institution.* (1) Without obtaining the student's or parent's authorization under §668.165, an institution may use title IV, HEA program funds to credit a student's account at the institution to satisfy current charges for --

(i) Tuition and fees;

(ii) Board, if the student contracts with the institution for board; and

(iii) Room, if the student contracts with the institution for room.

(2) After obtaining the appropriate authorization from a student or parent under §668.165, the institution may use title IV, HEA program funds to credit a student's account at the institution to satisfy --

(i) Current charges that are in addition to the charges described in paragraph (d)(1) of this section that were incurred by the student at the institution for educationally related activities; and

(ii) Minor prior award year charges if these charges are less than $100 or if the payment of these charges does not, and will not, prevent the student from paying his or her current educational costs.

(3) If an institution disburses Direct Loan Program funds by crediting a student's account at the institution, the institution must first credit the student's account with those funds to pay for outstanding current and authorized charges.

(4) For purposes of this paragraph, current charges refers to charges assessed the student by the institution for --

(i) The current award year; or

(ii) The loan period for which an institution certified or originated a loan under the FFEL or Direct Loan programs.

(e) *Credit balances.* Whenever an institution disburses title IV, HEA program funds by crediting a student's account and the total amount of all title IV, HEA program funds credited exceeds the amount of tuition and fees, room and board, and other authorized charges the institution assessed the student, the institution must pay the resulting credit balance directly to the student or parent as soon as possible but --

(1) No later than 14 days after the balance occurred if the credit balance occurred after the first day of class of a payment period; or

(2) No later than 14 days after the first day of class of a payment period if the credit balance occurred on or before the first day of class of that payment period.

(f) *Early disbursements.* Except as provided under paragraph (f)(3) of this section --

(1) If a student is enrolled in a credit-hour educational program that is offered in semester, trimester, or quarter academic terms, the earliest an institution may disburse title IV, HEA program funds to a student or parent for any payment period is 10 days before the first day of classes for a payment period.

(2) If a student is enrolled in a credit-hour educational program that is not offered in semester, trimester, or quarter academic terms, or in a clock hour educational program the earliest an institution may disburse title IV, HEA program funds to a student or parent for any payment period is the later of --

(i) Ten days before the first day of classes of the payment period; or

(ii) The date the student completed the previous payment period for which he or she received title IV, HEA program funds, except that this provision does not apply to the payment of Direct Loan or FFEL program funds under the conditions described in 34 CFR 685.301 (b)(3)(ii), (b)(5), and (b)(6) and 34 CFR 682.604 (c)(6)(ii), (c)(7), and (c)(8), respectively.

(3) The earliest an institution may disburse the initial installment of a loan under the Direct Loan or FFEL programs to a first-year, first-time borrower as described in 34 CFR 682.604(c) and 34 CFR 685.303(b)(4) is 30 days after the first day of the student's program of study.

(g) *Late disbursements* -- (1) *Ineligible students who may receive a late disbursement.* (i) An institution may make a late disbursement under paragraph (g)(2) of this section, if the student became ineligible solely because --

(A) For purposes of the Direct Loan and FFEL programs, the student is no longer enrolled at the institution as at least a half-time student for the loan period; and

(B) For purposes of the Federal Pell Grant, FSEOG, and Federal Perkins Loan programs, the student is no longer enrolled at the institution for the award year.

(ii) Notwithstanding paragraph (g)(1)(i) of this section, a student who withdraws from an institution during a payment period or period of enrollment can receive additional disbursements of title IV, HEA program funds in accordance with the requirements of §668.22 only.

(2) *Conditions for late disbursements.* An institution may disburse funds under a title IV, HEA program to an ineligible student and to the parent of an ineligible student as described in paragraph (g)(1) of this section if, before the date the student became ineligible --

(i) The institution received a SAR from the student or an ISIR from the Secretary and the SAR or ISIR has an official expected family contribution calculated by the Secretary; and

(ii)(A) For a Direct Loan Program loan, the institution created the electronic origination record for that loan. An institution may not make a late second or subsequent disbursement of a Direct Subsidized or Direct Unsubsidized loan unless the student has graduated or successfully completed the period of enrollment for which the loan was intended;

(B) For an FFEL Program loan, the institution certified an application for that loan. An institution may not make a late second or subsequent disbursement of a Stafford loan unless the student has graduated or successfully completed the period of enrollment for which the loan was intended;

(C) For a Direct Loan or FFEL Program loan, the student completed the first 30 days of his or her program of study if the student was a first-year, first-time borrower as described in 34 CFR 682.604(c)(5) or 685.303(b)(4);

(D) For a Federal Pell Grant Program award, the institution received a valid SAR from the student or a valid ISIR from the Secretary; and

(E) For a Federal Perkins Loan Program loan or an FSEOG Program award, the student was awarded a loan or grant.

(3) *Making a late disbursement.* If a student or a parent borrower qualifies for a late disbursement under paragraphs (g) (2) and (3) of this section, the institution --

(i) May make that late disbursement of title IV, HEA program funds only if the funds are used to pay for educational costs that the institution determines the student incurred for the period in which the student was enrolled and eligible; and

(ii) Must make the late disbursement no later than 90 days after the date that student becomes ineligible under paragraph (g)(1) of this section. (Authority: 20 U.S.C. 1094)

[61 FR 60603, Nov. 29, 1996, as amended at 64 FR 59042, Nov. 1, 1999]

On pages G-11 and G-12 is the amendment published at 67 FR 67073 on November 1, 2002. This amendment refers to 34 CFR 668.164 — Disbursing funds.

THIS DATA CURRENT AS OF THE FEDERAL REGISTER DATED APRIL 15, 2003

34 CFR – PART 668

View Printed Federal Register Page 67 FR 67073 in PDF format.

Amendment(s) published November 1, 2002, in 67 FR 67073

Effective Date(s) July 1, 2003

15. Section 668.164(g) is revised to read as follows:

§668.164 Disbursing funds.

* * * * *

(g) Late disbursements. (1) Ineligible student. For purposes of this paragraph, an otherwise eligible student becomes ineligible to receive title IV, HEA program funds on the date that --

(i) For a loan under the FFEL and Direct Loan programs, the student is no longer enrolled at the institution as at least a half-time student for the period of enrollment for which the loan was intended; or

(ii) For an award under the Federal Pell Grant, FSEOG, and Federal Perkins Loan programs, the student is no longer enrolled at the institution for the award year.

(2) Conditions for a late disbursement. Except as limited under paragraph (g)(4) of this section, a student who becomes ineligible (or the student's parent in the case of a PLUS loan) qualifies for a late disbursement if, before the date the student became ineligible --

(i) Except in the case of a PLUS loan, the Secretary processed a SAR or ISIR with an official expected family contribution; and

(ii) (A) For a loan under the FFEL or Direct Loan programs, the institution certified or originated the loan; or

(B) For an award under the Federal Perkins Loan or FSEOG programs, the institution made that award to the student.

(3) Making a late disbursement. Provided that the conditions described in paragraph (g)(2) of this section are satisfied --

(i) If the student withdrew from the institution during a payment period or period of enrollment, the institution must make any post-withdrawal disbursement required under § 668.22(a)(3) in accordance with the provisions of § 668.22(a)(4);

(ii) If the student successfully completed the payment period or period of enrollment, the institution must provide the student (or parent) the opportunity to receive the amount of title IV, HEA program funds that the student (or parent) was eligible to receive while the student was enrolled at the institution. For a late disbursement in this circumstance, the institution may credit the student's account to pay for current and allowable charges as described in paragraph (d) of this section, but must pay or offer any remaining amount to the student or parent; or

(iii) If the student did not withdraw but ceased to be enrolled as at least a half-time student, the institution may make the late disbursement of a loan under the FFEL or Direct Loan programs to pay for educational costs that the institution determines the student incurred for the period in which the student was eligible.

(4) Limitations. (i) Generally, an institution may not make a late disbursement later than 120 days after the date of the institution's determination that the student withdrew, as provided under § 668.22, or, for a student who did not withdraw, 120 days after the date the student otherwise became ineligible. On an exception basis, and with the approval of the Secretary, an institution may make a late disbursement after the applicable 120-day period, if the reason the late disbursement was not made within the 120-day period was not the fault of the student.

(ii) An institution may not make a second or subsequent late disbursement of a loan under the FFEL or Direct Loan programs unless the student successfully completed the period of enrollment for which the loan was intended.

(iii) An institution may not make a late disbursement of a loan under the FFEL or Direct Loan programs if the student was a first-year, first-time borrower unless the student completed the first 30 days of his or her program of study. This limitation does not apply if the institution is exempt from the 30-day delayed disbursement requirements under § 682.604(c)(5)(i), (ii), or (iii) or § 685.303(b)(4)(i)(A), (B), or (C) of this chapter.

(iv) An institution may not make a late disbursement of a Federal Pell Grant unless it received a valid SAR or a valid ISIR for the student by the deadline date established by the Secretary in a notice published in the Federal Register.

§668.165 Notices and authorizations.

Link to an amendment published at 67 FR 67074, Nov. 1, 2002.

(a) *Notices.* (1) Before an institution disburses title IV, HEA program funds for any award year, the institution must notify a student of the amount of funds that the student or his or her parent can expect to receive under each title IV, HEA program, and how and when those funds will be disbursed. If those funds include Direct Loan or FFEL Program funds, the notice must indicate which funds are from subsidized loans and which are from unsubsidized loans.

(2) If an institution credits a student's account at the institution with Direct Loan, FFEL, or Federal Perkins Loan Program funds, the institution must notify the student, or parent of --

(i) The date and amount of the disbursement;

(ii) The student's right, or parent's right to cancel all or a portion of that loan or loan disbursement and have the loan proceeds returned to the holder of that loan. However, the institution does not have to provide this information with regard to FFEL Program funds unless the institution received the loan funds from a lender through an EFT payment or master check; and

(iii) The procedures and the time by which the student or parent must notify the institution that he or she wishes to cancel the loan or loan disbursement.

(3) The institution must send the notice described in paragraph (a)(2) of this section --

(i) No earlier than 30 days before and no later than 30 days after crediting the student's account at the institution; and

(ii) Either in writing or electronically. If the institution sends the notice electronically, it must confirm receipt by the student or parent of the electronic notification and must maintain documentation of that confirmation.

(4)(i) A student or parent must inform the institution if he or she wishes to cancel all or a portion of a loan or loan disbursement.

(ii) The institution must return the loan proceeds, cancel the loan, or do both, in accordance with applicable program regulations if the institution receives a loan cancellation request either --

(A) Within 14 days after the date the institution sends the notice described in paragraph (a)(2) of this section; or

(B) If the institution sends the notice described in paragraph (a)(2) of this section more than 14 days prior to the first day of the payment period, by the first day of the payment period.

(iii) If a student or parent requests a loan cancellation after the period set forth in paragraph (a)(4)(ii) of this section, the institution may return the loan proceeds, cancel the loan, or do both, in accordance with applicable program regulations.

(5) An institution must inform a student or parent in writing or electronically regarding the outcome of any cancellation request.

(b) *Student or parent authorizations.* (1) If an institution obtains written authorization from a student or parent, as applicable, the institution may --

(i) Disburse title IV, HEA program funds to a bank account designated by the student or parent;

(ii) Use the student's or parent's title IV, HEA program funds to pay for charges described in §668.164(d)(2) that are included in that authorization; and

(iii) Except if prohibited by the Secretary under the reimbursement method, hold on behalf of the student or parent any title IV, HEA program funds that would otherwise be paid directly to the student or parent under §668.164(e).

(2) In obtaining the student's or parent's authorization to perform an activity described in paragraph (b)(1) of this section, an institution --

(i) May not require or coerce the student or parent to provide that authorization;

(ii) Must allow the student or parent to cancel or modify that authorization at any time; and

(iii) Must clearly explain how it will carry out that activity.

(3) A student or parent may authorize an institution to carry out the activities described in paragraph (b)(1) of this section for the period during which the student is enrolled at the institution.

(4)(i) If a student or parent modifies an authorization, the modification takes effect on the date the institution receives the modification notice.

(ii) If a student or parent cancels an authorization to use title IV, HEA program funds to pay for authorized charges under §668.164(d)(2), the institution may use title IV, HEA program funds to pay only those authorized charges incurred by the student before the institution received the notice.

(iii) If a student or parent cancels an authorization to hold title IV, HEA program funds under paragraph (b)(1)(iii) of this section, the institution must pay those funds directly to the student or parent as soon as possible but no later than 14 days after the institution receives that notice.

(5) If an institution holds excess student funds under paragraph (b)(1)(iii) of this section, the institution must --

(i) Identify the amount of funds the institution holds for each student or parent in a subsidiary ledger account designed for that purpose;

(ii) Maintain, at all times, cash in its bank account in an amount at least equal to the amount of funds the institution holds for the student; and

(iii) Notwithstanding any authorization obtained by the institution under this paragraph, pay any remaining balance on loan funds by the end of the loan period and any remaining other title IV, HEA program funds by the end of the last payment period in the award year for which they were awarded.

(Approved by the Office of Management and Budget under control number 1845-0697)
(Authority: 20 U.S.C. 1094)

[61 FR 60603, Nov. 29, 1996, as amended at 62 FR 27128, May 16, 1997; 65 FR 65675, Nov. 1, 2000]

On page G-17 is the amendment published at 67 FR 67074 on November 1, 2002. This amendment refers to 34 CFR 668.165 — Notices and authorizations.

THIS DATA CURRENT AS OF THE FEDERAL REGISTER DATED APRIL 16, 2003

34 CFR – PART 668

View Printed Federal Register Page 67 FR 67074 in PDF format.

Amendment(s) published November 1, 2002, in 67 FR 67074

Effective Date(s) July 1, 2003

16. Section 668.165 is amended:

A. By revising paragraph (a)(3);

B. By revising the Office of Management and Budget control number.

The revisions read as follows:

§ 668.165 Notices and authorizations.

(a) * * *

(3) The institution must send the notice described in paragraph (a)(2) of this section in writing no earlier than 30 days before, and no later than 30 days after, crediting the student's account at the institution.

* * * * *

(Approved by the Office of Management and Budget under control number 1845-0038)

§668.166 Excess cash.

(a) *General.* (1) The Secretary considers excess cash to be any amount of title IV, HEA program funds, other than Federal Perkins Loan Program funds, that an institution does not disburse to students or parents by the end of the third business day following the date the institution received those funds from the Secretary. Except as provided in paragraph (b) of this section, an institution must return promptly to the Secretary any amount of excess cash in its account or accounts.

(2) The provisions in this section do not apply to the title IV, HEA program funds that an institution receives from the Secretary under the just-in-time payment method.

(b) *Excess cash tolerances.* (1) If an institution draws down title IV, HEA program funds in excess of its immediate cash needs, the institution may maintain the excess cash balance in the account the institution established under §668.164 only if --

(i) In the award year preceding that drawdown, the amount of that excess cash balance is less than --

(A) For a period of peak enrollment at the institution during which that drawdown occurs, three percent of its total prior-year drawdowns; or

(B) For any other period, one percent of its total prior-year drawdowns; and

(ii) Within the next seven days, the institution eliminates its excess cash balance by disbursing title IV, HEA program funds to students or parents for at least the amount of that balance.

(2) For the purposes of this section, a period of peak enrollment at an institution occurs when at least 25 percent of the institution's students start classes during a given 30-day period. For any award year, an institution calculates the percentage of students who started classes during a given 30-day period by --

(i) For the prior award year in which the 30-day period began, determining the number of students who started classes during that period;

(ii) Determining the total number of students who started classes during the entire award year used in paragraph (b)(2)(i) of this section;

(iii) Dividing the number of students in paragraph (b)(2)(i) of this section by the number of students in paragraph (b)(2)(ii) of this section; and

(iv) Multiplying the result obtained in paragraph (b)(2)(iii) of this section by 100.

(3) For the purpose of determining the total amount of title IV, HEA program funds under paragraph (b)(1)(i) of this section, an institution that participates in the Direct Loan Program may include, for the latest year for which the Secretary has complete data, the total amount of loans guaranteed under the FFEL Program for students attending the institution during that year.

(c) *Consequences for maintaining excess cash balances.* (1) If the Secretary finds that an institution maintains in its account excess cash balances greater than those allowed under paragraph (b) of this section, the Secretary --

(i) As provided in paragraph (c)(2) of this section, requires the institution to reimburse the Secretary for the costs the Secretary deems to have incurred in making those excess funds available to the institution; and

(ii) May initiate a proceeding to fine, limit, suspend, or terminate the institution's participation in one or more title IV, HEA programs under subpart G of this part.

(2) For the purposes of this section, upon a finding that an institution has maintained excess cash, the Secretary --

(i) Considers the institution to have issued a check on the date that the check cleared the institution's bank account, unless the institution demonstrates to the satisfaction of the Secretary that it issued the check shortly after the institution wrote the check; and

(ii) Calculates, or requires the institution to calculate, a liability for maintaining excess cash balances in accordance with procedures established by the Secretary. Under those procedures, the Secretary assesses a liability that is equal to the difference between the earnings that the excess cash balances would have yielded if invested under the applicable current value of funds rate and the actual interest earned on those balances. The current value of funds rate is an annual percentage rate, published in a Treasury Financial Manual (TFM) bulletin, that reflects the current value of funds to the Department of Treasury based on certain investment rates. The current value of funds rate is computed each year by averaging investment rates for the 12-month period ending every September. The TFM bulletin is published annually by the Department of Treasury. Each annual bulletin identifies the current value of funds rate and the effective date of that rate. (Authority: 20 U.S.C. 1094)

[61 FR 60603, Nov. 29, 1996, as amended at 63 FR 40626, July 29, 1998]

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§668.167 FFEL Program funds.

(a) *Requesting FFEL Program funds.* In certifying a loan application for a borrower under §682.603 --

(1) An institution may not request a lender to provide it with loan funds by EFT or master check earlier than --

(i) Twenty-seven days after the first day of classes of the first payment period for a first-year, first-time Federal Stafford Loan Program borrower as defined in §682.604(c)(5); or

(ii) Thirteen days before the first day of classes for any subsequent payment period for a first-year, first-time Federal Stafford Loan Program borrower or for any payment period for all other Federal Stafford Loan Program borrowers; and

(2) An institution may not request a lender to provide it with loan funds by check requiring the endorsement of the borrower earlier than --

(i) The first day of classes of the first payment period for a first-year, first-time Federal Stafford Loan Program borrower as defined in §682.604(c)(5); or

(ii) Thirty days before the first day of classes for any subsequent payment period for a first-year, first-time Federal Stafford Loan Program borrower or for any payment period for all other Federal Stafford borrowers; and

(3)(i) An institution may not request a lender to provide it with loan funds by EFT or master check for any Federal PLUS Program loan earlier than 13 days before the first day of classes for any payment period.

(ii) An institution may not request a lender to provide with loan funds by check requiring the endorsement of the borrower for any Federal PLUS Program loan earlier than 30 days before the first day of classes for any payment period.

(b) *Returning funds to a lender.* (1) Except as provided in paragraph (c) of this section, an institution must return FFEL Program funds to a lender if the institution does not disburse those funds to a student or parent for a payment period within --

(i) Ten business days following the date the institution receives the funds if the lender provides those funds to the institution by EFT or master check on or after July 1, 1997 but before July 1, 1999;

(ii) Three business days following the date the institution receives the funds if the lender provides those funds to the institution by EFT and master check on or after July 1, 1999; or

(iii) Thirty days after the institution receives the funds if a lender provides those funds by a check payable to the borrower or copayable to the borrower and the institution.

(2) If the institution does not disburse the loan funds as specified in paragraph (b)(1) or (c) of this section, the institution must return those funds to the lender promptly but no later than 10 business days after the date the institution is required to disburse the funds.

(3) If an institution must return loan funds to the lender under paragraph (b)(2) of this section and the institution determines that the student is eligible to receive the loan funds, the school may disburse the funds to the student or parent rather than return them to the lender provided the funds are disbursed prior to the end of the applicable timeframe under paragraph (b)(2) of this section.

(c) *Delay in returning funds to a lender.* An institution may delay returning FFEL program funds to a lender for --

(1) Ten business days after the date set forth in paragraph (b)(1) of this section if --

(i)(A) The institution does not disburse FFEL Program funds to a borrower because the student did not complete the required number of clock or credit hours in a preceding payment period; and

(B) The institution expects the student to complete required hours within this 10-day period; or

(ii)(A) The student has not met all the FFEL Programs eligibility requirements; and

(B) The institution expects the student to meet those requirements within this 10-day period; or

(2) Thirty days after the date set forth in paragraph (b) of this section for funds a lender provides by EFT or master check if the Secretary places the institution on the reimbursement payment method under paragraph (d) or (e) of this section.

(d) *An institution placed under the reimbursement payment method.* (1) If the Secretary places an institution under the reimbursement payment method for the Federal Pell Grant, Direct Loan or campus-based programs, the institution --

(i) May not disburse FFEL Program funds to a borrower until the Secretary approves a request from the institution to make that disbursement for that borrower; and

(ii) If prohibited by the Secretary, may not certify a borrower's loan application until the Secretary approves a request from the institution to make that certification for that borrower.

(2) In order for the Secretary to approve a disbursement or certification request from the institution, the institution must submit documentation to the Secretary or entity approved by the Secretary that shows that each borrower included in that request whose loan has not been disbursed or certified is eligible to receive that disbursement or certification.

(3) Pending the Secretary's approval of a disbursement or certification request, the Secretary may --

(i) Prohibit the institution from endorsing a master check or obtaining a borrower's endorsement of any loan check the institution receives from a lender;

(ii) Require the institution to maintain loan funds that it receives from a lender via EFT in a separate bank account that meets the requirements under §668.164; and

(iii) Prohibit the institution from certifying a borrower's loan application.

(e) *An institution participating solely in the FFEL Programs.* If the FFEL Programs are the only title IV, HEA programs in which an institution participates and the Secretary determines that there is a need to monitor strictly the institution's participation in those programs, the Secretary may subject the institution to the conditions and limitations contained in paragraph (d) of this section.

(f) *An institution placed under the cash monitoring payment method.* The Secretary may require an institution that is placed under the cash monitoring described under paragraph §668.162(e), to comply with the disbursement and certification provisions under paragraph (d) of this section, except that the Secretary may modify the documentation requirements and review procedures used to approve the institution's disbursement or certification request.

(Approved by the Office of Management and Budget under control number 1840-0697)
(Authority: 20 U.S.C. 1094)

[61 FR 60603, Nov. 29, 1996, as amended at 62 FR 27128, May 16, 1997; 62 FR 62877, Nov. 25, 1997; 63 FR 40626, July 29, 1998]

APPENDIX H
Reconciliation of Cash Worksheet

Reconciliation of Cash Worksheet

Reconciliation of Cash for the Month of _____ Year _____

	Beginning Balance	*Deposits*	*Disburse-ments*	*Ending Balance*
Balance per Bank Statement	xxxxx	xxxxx	xxxxx	xxxxx
Deposits in Transit:				
Last Month	xxxxx	(xxxx)		xxxxx
This Month		xxxxx		xxxxx
Outstanding Checks:				
Last Month	xxxxx		(xxxx)	xxxxx
This Month			xxxxx	xxxxx
Unrecorded Charges			xxxxx	xxxxx
(Unrecorded Credits) (explain below)			(xxxx)	(xxxx)
	____	____	_____	____
Balance per Books	xxxxx	xxxxx	xxxxx	xxxxx
	====	====	====	====

Prepared by _____ Date _____

Approved by _____ Date _____

APPENDIX I
Key Resources

Key Resources – Web Sites

Web Site	Web Site Address
Direct Loans	http://www.ed.gov/DirectLoan/
Grants Administration and Payment System (GAPS)	http://e-grants.ed.gov/egWelcome.asp
Information for Financial Aid Professionals (IFAP)	http://ifap.ed.gov
Schools Portal	http://www.fsa4schools.ed.gov
FSA Coach	http://fsacoach.ed.gov
Pell Grants On-line	http://www.pellgrantsonline.ed.gov
Common Origination and Disbursement (COD)	https://cod.ed.gov
FSA Assessments	http://www.fsa4schools.ed.gov
NACUBO	http://www.nacubo.org
National Association for Student Financial Aid Administrators (NASFAA)	http://www.nasfaa.org
Quality Assurance Program	http://qaprogram.air.org

Key Resources – Publications

Web Site	Web Site Address
Compilation of FSA Regulations	http://www.access.gpo.gov/nara/cfr/waisidx_01/34cfrv3_01.html#600
FSA Handbook	http://ifap.ed.gov/IFAPWebApp/currentSFAHandbooksPag.jsp
Audit Guide of FSA Programs	http://ifap.ed.gov/aguides/doc0017_bodyoftext.htm
The Blue Book	http://www.ifap.ed.gov/IFAPWebApp/currentBBooksPag.jsp
"Dear Partner/Colleague Letters"	http://www.ifap.ed.gov
Federal Registers	http://www.ifap.ed.gov/IFAPWebApp/currentFRegistersPag.jsp
Return of Title IV Aid Worksheets	http://ifap.ed.gov/aidworksheets/current.htm
Direct Loan Bulletins	http://www.ed.gov/DirectLoan/bulletin/index.html
Verification Guide	http://ifap.ed.gov/IFAPWebApp/currentVGWorksheetsPag.jsp

Key Resources – Software Download

Web Site	Web Site Address
FSA Download FSA-developed software and documentation may be downloaded from this site.	http://fsadownload.ed.gov
Pell Grant Desk Reference	http://fsadownload.ed.gov
FSA Software Contains EDConnnect, EDExpress, R2T4, FISAP, and QAP software downloads	http://fsadownload.ed.gov/software.htm
Student Aid Internet Gateway (SAIG)	http://www.sfadownload.ed.gov/index.htm

Key Resources – Training Materials

Web Site	Web Site Address
Conferences and Presentations NASFAA, EAC, and Direct Loan conference material	http://ifap.ed.gov/IFAPWebApp/currentCPresentationsPag.jsp
FSA Coach	http://fsacoach.ed.gov
FSA University Training Web Site Announcements on all current and upcoming training as well as links for online registration and downloads of training materials including FSA COACH. Also contains FSA workshop dates and registration information.	http://www.ed.gov/offices/OSFAP/sfau/index.html
Common Origination and Disbursement (COD) Computer-Based Training	http://ifap.ed.gov/eannouncements/0311CBTNowAvail.html

APPENDIX J
Most Common Program Review Deficiency Codes

Most Common Program Review Deficiency Codes

FEDERAL WORK-STUDY PROGRAM

1000	FWS Carry Forward/Carry Back Used Incorrectly or Not Documented
1010	FWS Earnings Not Monitored
1050	FWS-Improper Payments For Hours Worked
1090	FWS Matching Requirements Not Met/Untimely
1091	Five Percent of FWS Funds Not Allocated to Employ Students in a Community Service

GENERAL DEFICIENCY CODES

2010	Inaccurate Recordkeeping
2248	Inadequate Internal Controls
2333	Refund Calculation Errors
2375	Refund Made Late to Title IV Account
2383	Student Rebate Checks Neither Cashed Nor Refunded Back to Department of Ed
2384	Student Credit Balance Deficiencies
2410	Failure of Corporate/Central Office to Properly Administer FSA Funds-Review All Locations For Similar Deficiencies

FISCAL DEFICIENCY CODES

3001	Account Records Inadequate/Not Reconciled
3060	Audit Trail Inadequate/Cannot Trace to Programs
3110	Excess Cash Balances Maintained
3120	Expenditures Reported on FISAP Report Inaccurate
3170	Improper Transfer of Federal Funds

PELL DEFICIENCY CODES

4000	Account Credited Without Student's Permission
4080	Pell-Ineligible Disbursements
4150	Payment Schedule Incorrect/Used Incorrectly

FEDERAL FAMILY EDUCATION LOAN PROGRAM

5090	FFEL Cashed Without Student Signature
5150	Improper FFEL Disbursement-Payment After Student Withdrawal
5221	Proceeds of FFEL Not Delivered Within 45 Days
5260	Student Confirmation Report Filed Late/Not Retained/Inaccurate

DIRECT LOAN PROGRAM

5510	Untimely Reconciliation of Direct Loan Records
5520	Improper Disbursement of FDLP Funds Prior to Midpoint
5610	Excess Cash Balances Maintained/Direct Loan Program
5653	Failure to Report/Reconcile/Adjust Direct Loan Disbursements/Adjustments/Cancellations
5670	Unmade/Untimely Refunds to Direct Loan Program Account

FEDERAL PERKINS LOAN PROGRAM

8011	Federal Perkins Loan-Incorrect Perkins Fiscal Reports
8100	Federal Perkins Loan Excess/Insufficient Cash Balance Maintained
8110	Federal Perkins Loan Funds Not Deposited in an Interest-Bearing Account
8140	Federal Perkins Loan-Inadequate Billing/Collection Procedures/Due Diligence
8160	Federal Perkins Loan Institutional Data Not Reconciled with Billing/Collection Agency
8190	Federal Perkins Loan Institutional Matching Funds Not Deposited/Untimely

FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM

9000	FSEOG Exceptional Need Not Met
9010	FSEOG Matching Requirement Not Met/Untimely
9020	FSEOG Minimum or Maximum Award Requirement Not Met

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